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STRATEGY AND TACTICS OF WORLD COMMUNISM

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HEARINGS

BEFORE THE

SUBCOMMITTEE TO INVESTIGATE THE
ADMINISTRATION OF THE INTERNAL SECURITY
ACT AND OTHER INTERNAL SECURITY LAWS

OF THE

COMMITTEE ON THE JUDICIARY
UNITED STATES SENATE

EIGHTY-THIRD CONGRESS

SECOND SESSION

ON

STRATEGY AND TACTICS OF
WORLD COMMUNISM

MAY 18 AND 27, 1954

PART 1

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TASK FORCE INVESTIGATING THE STRATEGY AND TACTICS OF WORLD
COMMUNISM

WILLIAM E. JENNER, Indiana, *Chairman*

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RICHARD ARENS, *Special Counsel*

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STRATEGY AND TACTICS OF WORLD COMMUNISM

TUESDAY, MAY 18, 1954

UNITED STATES SENATE,
SUBCOMMITTEE TO INVESTIGATE THE
ADMINISTRATION OF THE INTERNAL
SECURITY ACT AND OTHER INTERNAL
SECURITY LAWS OF THE COMMITTEE ON THE JUDICIARY,
Washington, D. C.

The subcommittee met, pursuant to call, at 10:30 a. m., in room 457, Senate Office Building, Hon. William E. Jenner (chairman of the subcommittee) presiding.

Present: Senators Jenner and Welker.

Also present: Richard Arens, special counsel; Frank W. Schroeder, professional staff member; and Edward R. Duffy, professional staff member.

The CHAIRMAN. The committee will come to order.

Among the duties of the Internal Security Subcommittee, pursuant to Senate Resolution 366 of the 81st Congress, is the duty to make a continuing investigation of—

the extent, nature, and effects of subversive activities in the United States, its Territories and possessions, including, but not limited to, espionage, sabotage, and infiltration by persons who are or may be under the domination of the foreign government or organizations controlling the world Communist movement or any other movement seeking to overthrow the Government of the United States by force and violence.

It is abundantly clear from the numerous projects which the Internal Security Subcommittee has completed pertaining to the Communist conspiracy in the United States, that this conspiracy here is only one tentacle of a worldwide octopus which has as its principal target the United States of America.

If we are adequately to appraise the operation of the Communist conspiracy in this Nation it is essential that we keep abreast of the world strategy and tactics of international communism. Accordingly, I have appointed a task force of the Internal Security Subcommittee, consisting of myself as chairman with Senators Herman Welker and Pat McCarran as members, for the purpose of maintaining a continuing study and investigation of the strategy and tactics of world communism.

The hearing today is the first in a series of hearings on this general subject matter which has many facets, each of which we shall explore as we receive the testimony of a number of witnesses who will be scheduled over the course of the next several months.

We will call the first witness in this new hearing.

Mr. ARENS. Mr. Chairman, the first witness is Prof. Constantin W. Boldyreff. Will you kindly assume the witness stand?

The CHAIRMAN. Will you be sworn to testify? Do you solemnly swear the testimony you give in this hearing will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. BOLDYREFF. I do, sir.

TESTIMONY OF CONSTANTIN W. BOLDYREFF, WASHINGTON, D. C.

The CHAIRMAN. You may be seated. Will you state for our committee record your full name?

Mr. BOLDYREFF. My name is Constantin W. Boldyreff.

The CHAIRMAN. Will you spell that for the reporter, please?

Mr. BOLDYREFF. Constantin, C-o-n-s-t-a-n-t-i-n, Boldyreff, B-o-l-d-y-r-e-f-f, like Frank.

The CHAIRMAN. Where do you reside, Mr. Boldyreff?

Mr. BOLDYREFF. I reside in Washington, 1427 Chapin Street NW.

The CHAIRMAN. What is your business or profession?

Mr. BOLDYREFF. I am a professor at Georgetown University, Institute of Languages and Linguistics, and am on leave of absence now.

The CHAIRMAN. From Georgetown University?

Mr. BOLDYREFF. From Georgetown University.

The CHAIRMAN. Where were you born?

Mr. BOLDYREFF. I was born in Russia.

The CHAIRMAN. When?

Mr. BOLDYREFF. In 1909.

The CHAIRMAN. When did you leave Russia?

Mr. BOLDYREFF. I left Russia for the first time in 1922 as a cadet in the Czarist Cadet Corps.

The CHAIRMAN. And how many times have you returned?

Mr. BOLDYREFF. I have been in Russia since then again from 1942 to 1944 underground.

The CHAIRMAN. When was your last time that you visited Russia?

Mr. BOLDYREFF. Russia proper in 1944.

The CHAIRMAN. All right. Proceed, Mr. Arens with the questioning of the witness.

Mr. ARENS. And when was the last time you were in contact with the underground behind the Iron Curtain?

Mr. BOLDYREFF. I returned about 3 weeks ago from a tour of the country surrounding the Soviet Empire from the Baltic Sea to Iran, and during my stay in Europe and Asia I was all the time in contact with the Russian underground.

Mr. ARENS. What is the name of the Russian underground in popular parlance?

Mr. BOLDYREFF. Its name is NTS, which stands in English for National Alliance of Russian Solidarists.

Mr. ARENS. And you have been in contact with that underground in the course of the last few weeks; is that correct?

Mr. BOLDYREFF. That is correct.

Mr. ARENS. Would you kindly give us before we proceed with your testimony on the principal subject-matter, a word of your background?

Mr. BOLDYREFF. I was born in Russia. I was in the Cadet Corps during the Revolution. I left Russia in 1922 and finished my education in Yugoslavia where I graduated as an engineer. In 1930 I joined

the Russian underground movement NTS, and have been active in this organization since then.

During the war I was arrested by the Germans and put in a concentration camp from which I succeeded to escape. I then went through the channels of the underground inside Russia to fight against the Communist regime and the German invaders.

I stayed there until November 1944 and then came back to Vienna secretly, was again later on arrested by the Germans, and previous to the fall of the German regime I again succeeded to get free.

Then I was working with the American Military Government in Germany, combating forced repatriation of former Soviet citizens who refused to go back. Later on I came to this country in 1947 and have been living here since, having twice since 1947 visited Europe for longer periods.

Mr. ARENS. Professor Boldyreff, you have had executive sessions with the staff of the Internal Security Subcommittee with respect to your identification with the anti-Communist underground from behind the Iron Curtain and with respect to certain operations which you perhaps would not want to tell about publicly, but I should like to invite your attention now to the prepared statement which you have this morning for submission to the Internal Security Subcommittee. I respectfully suggest, Mr. Chairman, that that prepared statement itself now be included in the record and that the professor be permitted to give a summary of the statement.

The CHAIRMAN. The statement of Professor Boldyreff will go into our record and become a part of our record.

(The statement referred to is as follows:)

STATEMENT BY PROF. CONSTANTIN W. BOLDYREFF

The Western World today—willingly or unwittingly—digs its own grave. Its present policy of ambiguity, indecision, and half measures helps: (a) The Soviet Government to strengthen its otherwise seriously shattered positions, and tends to (b) paralyze the development of a spontaneously growing process of revolutionization of the Russian masses.

There are two psychological forces at play in Russia today: Hatred of the regime—revolutionary stimulus, and determination to defend the country—patriotic stimulus.

Since the revolutionary stimulus is also inspired by patriotism, it will submit to the patriotic stimulus in the face of a danger threatening the nation as a whole.

Hence, if the Government can convince the people that a war means dismemberment to the country and enslavement to the population, it will have no reason—other than purely strategic and economic—to fear a war.

On the other hand, the Government knows that if the people gain an assurance that there is no immediate threat of war, or that this war is to be waged only against the Kremlin clique, the patriotic stimulus will reinforce the revolutionary.

During the initial stage of World War II (while the revolutionary sentiment was still dormant in Russia) the people—believing the Germans to be liberators—offered them practically no resistance. (The Red Army fought half-heartedly, seldiers surrendered by the thousands, the population greeted the Germans as their friends.) During the latter stage of the war—when the people realized the Nazis' true intentions—they began to fight like lions. (Forests were seething with partisans; the Army fought doggedly forging from Stalingrad to Berlin.)

The Soviet leaders know this and their only preoccupation now is to create psychological conditions in Russia today, like those which prevailed there during the latter part of the war. With the complete isolation of the Russian people and a formidable propaganda machine at their command, on the one hand, and the attitude of the West such as it is, on the other hand, this does not seem to be too difficult a task.

That this may greatly increase the chances of war, does not worry them too much, provided it is Communist style. As things stand now, that type of blood-curdling slaughter, animated by racial hatred and universal mistrust, may not be long in coming.

Isn't the timing of the Communist flagrant massed attacks in Indochina to coincide with both the Berlin and the Geneva Conferences, a clear symptom of how little the Kremlin masters are afraid of war.

The Kremlin's greatest fear is revolution

There are other symptoms, however, which show how greatly the conspirators in Moscow fear a revolution.

One of such symptoms is the rash and drastic way in which they launched their campaign to intimidate the Russian revolutionary organization—the NTS.

After 3 previous unsuccessful attempts to kidnap responsible NTS underground leaders, and 2 failures in the efforts to plant spies (Bergman and Mueller-Khorunzhy) into the organization, they decided:

(1) To kidnap in Berlin an open worker of the organization, Dr. Alexander Trushnovich, head of a Russian refugee welfare organization and vice president of a purely noncombatant anti-Communist Society of Russo-German Friendship, which they did, and

(2) To send a special man (MVD Capt. Nikolai Khokhlov) with special weapons from Moscow to assassinate the same underground leader who was subject to two previous unsuccessful kidnaping expeditions.

Here, however, the Kremlin's plans failed.

The kidnaping of an overt worker who does not know any secrets, and the attempt to silence with a bullet an underground leader—are by no means measures conducive to the exposure of the underground's subversive activities in Russia.

Hence, their motives were to terrorize the organization. Only people who are nervous and fear resort to such measures.

The wave of defections among Soviet diplomats is another indication. Sure, there is the fear of purge, but in the past a dozen of Soviet diplomats returned to face the purge. The regime then was stable, today—they know—it is not. And they are conscious of the rising wave of popular discontent.

Symptoms of the development of a revolutionary process in Russia

(A) *The strengthening of people's resistance.*—The outward manifestations of the rising wave of popular resistance to the regime, which started after Stalin's death and intensified following Beria's collapse, can be traced throughout the entire expanse of the Soviet Union:

(1) The passive attitude and general reluctance of the Soviet troops of occupation displayed during the uprising of the East Germans in June 1953 with numerous cases when soldiers and officers—defying orders—supported the insurgents.

(2) Workers' strikes at the heavy industry centers of Samara (on the Volga) and in Kazakhstan.

(3) Strikes, riots, and stubborn resistance to MVD troops by the population of the concentration-camps systems of Karaganda (Central Asia), Norilsk (North-Western Siberia), Komsomolsk (Russian Far East), and Vorkuta (North of European Russia).

(4) Subversive activity of students' political organizations in Moscow, Leningrad, Kiev, Odessa, Kaluga, Blagoveshchensk, and several other places.

(Rumors concerning the arrest of groups of students by the MVD in the big centers of Russia were broadly circulated among the population. This compelled the Government for the first time to break its curtain of silence and publish reports about the arrests in its own press, thereby acknowledging the existence of active anti-Communist groups among the younger generations.)

These are the major and the most publicized facts. There are a number of others, though less conspicuous, but no less dramatic. All this took place against the general background of a marked tendency among the population toward greater self-reliance. Farmers, workers, intellectuals—began to act bolder, speak somewhat louder. Churches became more crowded, with young faces more conspicuous among the congregations. Several books appeared in Moscow, the contents of which—had they been published only 2 years ago—would have cost their authors at least lifetime in prison.

(b) *Weakening of the Government's power of control.*—Stalin's death and the fall of Beria have seriously undermined the hypnotic power of Soviet propaganda myths. The weird spell began to vanish. The myths of the "indestructible"

unity of Stalin's loyal disciples and comrade-in-arms, of the "invincibility of the MVD" and many others were exposed in all their ridiculous absurdity. The people began to realize that the monsters in the Kremlin and their benedaled MVD henchmen are but ordinary mortals.

The formidable 3-barreled machine of control which obediently satisfied any whim of the defunct dictator, broke up into its 3 original elements; with the mutually suspicious apparatus of the administration (Malenkov) and the party (Khrushchev) subjecting the MVD to bilateral and jealous supervision.

(1) *Weakening of the overall Government machine.*—This has not only seriously crippled the MVD, which cannot effectively serve two mutually distrustful masters, but has also powerfully shaken the entire Government structure from its very summit to the very bottom.

In the back of his mind every official, big, or little alike, constantly worries how he is to behave in order not to provoke the suspicion of, and eventually vengeance from, one of the rivaling factions. Trained to demonstrate his loyalty through obsequious kowtowing to his seniors (no matter to what organization they belong) and profuse glorification of the supreme leader, he is now at a loss how to meet the new situation. Whom is he to eulogize? How is he to display his "vigilance" and denounce his colleagues, higher or lower in rank, if this might possibly arouse the wrath of one of the antagonistic groups. Thus, the system of mutual spying has slackened considerably.

Conscious of the sentiment of the population the Soviet official hesitates now to antagonize it very much. In one word he is no longer as efficient a servant of the regime as he used to be. His main preoccupation now is to survive.

(2) *Weakening of the MVD machine.*—The plight of the MVD is still worse. The purge of the pro-Beria element is still on. It has removed a great number of top, middle, and rank-and-file officers. The old hands prefer to play it safe. They refuse to use their own initiative and imagination. More and more they look up to their superiors for guidance.

(The trial of the MVD spy Mueller-Khorunzhy who was sent to infiltrate the NTS has shown that had he not been so dependent on the instructions from his bosses in East Berlin, he might have been able to carry on much longer than he actually did. He was sentenced to 12 years in jail by the American District Court in Frankfurt/Main in January 1954.)

The purge, the insecurity resulting from the dual control, a clear insight into the true situation prevailing in the Kremlin and first-hand information concerning the trends which develop in the masses, and last but not least, absolute and hopeless loss of faith in communism, work heavily on the morale of the MVD man. This explains the unprecedented trek of MVD defectors to the West.

(Rastovorov in Japan, the Petrov couple in Australia, Khokhlov in West Germany, and a number of others whose names are still kept secret.)

Exposure to anti-Communist literature and leaflets, which it is their duty to collect, study, and criticize, also affects the MVD men, particularly the least corrupt of them.

(Capt. Mikhail Tulin, an ex-political commissar of the Red Army, after exposure to NTS literature, became himself a convert, joined the underground and finally defected when his sabotage of the Soviet counterpropaganda measures began to attract the attention of his superiors.)

(3) *Outward manifestations of the Government's weakness.*—Conscious of the ever-growing threat of popular opposition, the Government decided to embark onto a policy of sham concessions. However, both the Government and the population knew very well that the former couldn't give much, and the latter couldn't expect much. A totalitarian government can go along the path of reforms only a short distance to a certain critical point.

Farmers.—The last cut in prices, promise of more consumer goods, and alleviations, resulted in the general slackening of the labor effort of the people, particularly in villages. People decided that since Malenkov was so concerned about their welfare, they might as well relax somewhat.

Farmers began to spend more time in their own backyards and worry little about deliveries to the state. Malenkov's answer was the mobilization of 50,000 "agricultural experts" from the cities to boost up production and punish the saboteurs. The measure, however, proved a complete flop on both counts.

Workers.—In order to win the good graces of the workers, Malenkov announced an early revision of the drastic labor law (as a matter of fact the promised liberalization of the labor law is 1 year overdue now). The workers took full advantage of these promises:

In spring 1953, a couple of hundreds of skilled workers fresh from the state-run vocational schools were brought to work in a plant in Kazakhstan. When they arrived they found the conditions appalling; the wooden barracks were old and rickety, the food indigestible.

The workers refused to go to work. The administration ordered them to go. They confronted it with a set of demands and stood pat. Food deliveries were stopped to them. They remained adamant. Food was again issued to them. They didn't budge. An MVD commission came to the barracks and threatened them with reprisals. They reiterated their conditions and refused to work.

The MVD yielded. Their demands were fully satisfied, none was arrested. (One should bear in mind that strikes are strictly outlawed in the Soviet Union and punishable as the gravest offense against the "the people, the people's government, and the state.")

Prisoners.—Malenkov's amnesty to prisoners in concentration camps proved lopsided. It actually affected only the short-term prisoners who are in a great minority and most of whom are criminals. However, this and the fall of Beria encouraged the concentration camp inmates to demand concessions.

In the camps of Vorkuta more than 150,000 prisoners working in 20 coal pits lowered their tools and presented the MVD with a set of demands. This happened on July 24, 1953. In the course of 9 days representatives of the MVD conducted daily negotiations with prisoners. They agreed to almost all conditions, except one—the revision of the sentences and liberation of the innocent. The prisoners refused to give in. On the contrary their resistance grew stiffer. Leaflets began to circulate in the camps, some of them bearing NTS symbols and slogans.

On the 10th day the MVD fulfilled all the demands of the prisoners (removed bars from the windows of the barracks inside the camps, removed numbers from the prisoners' backs, reduced the labor day from 12 to 10 hours, etc.), but one concerning the revision of the sentences, which it said had to be decided in Moscow. At the same time it presented the workers with an ultimatum to go to work or else * * *.

About 75 per cent complied, the workers from shaft No. 29 (who started the strike) refused. MVD troops were brought. The prisoners began to riot. Machineguns rattled; about 120 prisoners were slaughtered. The resistance was finally broken.

Much later 150 individuals were suddenly arrested and thrown into the "isolators" (individual cells in the punitive section of the camps).

Returned German prisoners of war who served sentence in Vorkuta and Norilsk (where 320,000 prisoners went on strike in May and June 1953) report that the strikers hoped that the Americans would parachute weapons to them. Although they submitted to force, their spirit was not broken.

All this, and many other incidents which took place in Russia and particularly within the Soviet Army of occupation seem to indicate, that the revolutionary process has begun, or is about to begin.

Prospects of the revolution in Russia

The revolutionary process which now develops in Russia is a natural consequence of the ideological, political, social, and economic bankruptcy of the regime. Hence, the revolution in Russia is inevitable. Yet its timing depends on various factors.

The Soviet Government is still very strong and tenacious and will fight tooth and nail for survival. But the destinies of the revolution do not at the present moment depend so much on the determination of the Government to rule, or on the successes of the revolutionary propaganda and underground operations.

They will greatly depend on the attitudes and the policies of the free world. For it is the free world who unwittingly helps the Soviet Government to slow down, if not altogether temporarily interrupt, the development of a revolutionary situation in Russia.

There is hardly anything the Soviet Government can do internally to win the sincere support of the oppressed masses. Malenkov and Krushchev are as hated as Stalin, whose name has almost vanished from the official Soviet vocabulary. There is only one essential difference—Stalin was feared, whereas Malenkov and Krushchev are feared far less.

The physical penetration of the Iron Curtain or the mechanical dissemination of the word of truth, are basically but technical problems and their solution depends mainly on the availability of funds and equipment.

The battle with the MVD is dangerous, costly, and obviously an exceedingly difficult one. Yet it is mainly a battle of wits. Insofar this was not a losing

battle (the very existence of the NTS and its permanent growth seem to bear witness thereof). With the present state of affairs inside MVD and the ever-growing defiance of the population, the prospects do not seem too somber.

It may sound paradoxical but it is true, that the Soviet Government's main source of power to control the psychology of its own population comes from the free world's indistinct and ambiguous policy.

It is paradoxical, because the free world through the very fact of its existence presents an everlasting and deadly menace to the Soviet Communist regime. The call of freedom is irresistible.

Yet it is precisely the Western World which provides the bulk of the ammunition to the Kremlin's propaganda. Every equivocal move, every attempt at compromise is readily exploited by the Soviets to present to its isolated people the "ugly, hypocritic face of the weak and decadent West."

The West has never stated that the only thing it wishes is the overthrow by the Russian people of the hated tyrants in the Kremlin. Yet in the absence of such a clear declaration, how should the Russian people know that the atomic bomb and the belt of military bases are not directed against them—the people—as much as against their masters, who incidentally will be the last to suffer from an atomic bombardment.

They had a very bad experience at the hands of the Nazi invaders and Soviet propaganda (practically unchallenged as it is) takes all pains to convince them that the West hates the Russian people because of its greatness and strength and because it covets its land.

How can the Russians gain the assurance of the West's good intentions, if they are perfectly aware that a lot of propaganda directed from the West to their satellite neighbors is full of venom against the Russian people and tends to incite the other Communist-dominated nations against them, Russians, and not against their common oppressors.

These are just but a few examples of the things which help the Soviet Government to divert the people from the course of revolution and enlist their reluctant support.

Nothing short of a revolution will destroy the Communist regime in Russia—be it without a war, after the war, or during the war.

The atom bomb is no longer a deterrent

Without the cooperation of the Russian people with the Western World the war may turn into a universal catastrophe (even if no atom bombs are dropped) from which no actual victors will emerge.

If through fatal blunders of Western propaganda, the Soviet Government would succeed in maneuvering the population of Russia so as to command its undivided support in the cause of the defense of the country, the entire Asiatic Continent will stand solidly behind the Kremlin leaders. The Communist conspirators will have no reason more to postpone the showdown then.

With both sides now possessing atomic and hydrogen bombs, it is hardly probable that any of them would make use of these weapons until really hard pressed. The side which will use it first may soon find that it has put its own chances of winning the war into serious jeopardy. For the population of the attacked country, apart from fear will be filled with a just feeling of indignation, revolt, and will for revenge—its fighting spirit will rise.

The population of the guilty country—when exposed to atomic retaliation (no defense measures, no matter how effective can guarantee a 100 percent bomb-proofness)—may come into a state of confusion with a section of the people blaming their own government for bringing the calamity upon their heads. No doubt, such would be the reaction of the Russian people and the Kremlin knows it.

Consequently the hydrogen bomb is not any longer really a deterrent against Soviet aggression.

If any weapon is, it is rather the Air Force. But it must be capable of delivering more bombs (any bombs for that matter) than the enemy to paralyze his industry and ability to strike. This, however, requires a decisive superiority in the air. Does this country have it?

The real deterrent is within the Soviet Union itself—this is the anti-Communist sentiment of the Russian people.

How war can be averted

It is, therefore, the duty of the Western governments toward their own population to win the unequivocal confidence of the Russian people and thus paralyze the treacherous designs of Soviet propaganda.

This, however, calls for a more outspoken policy. The United States should adopt such policy even if some of her allies, lacking courage and vision, would refuse to follow suit.

It is a logical step. The United States having already said "A" must now hasten to utter "B." The American "A" was sufficiently strong to make the Soviets understand that this country will never retreat to the suicidal formula of "peaceful coexistence."

The Communist leaders know that America would welcome a change of the regime in Russia, that theoretically this is the ideal political goal. Because it is still an implicit theoretical goal, in practice—so far—the United States is doing little to attain it. But the Soviets are well aware that the day will come when this will become the ultimate objective of a practical policy. And because this is inevitable, and because when this happens Malenkov's and Khrushchev's days will be counted, they may decide to strike a preventive blow.

But they do not necessarily have to strike in Europe, even though European defenses are still so weak. The blow may, and in all probability will come in Asia with all the ensuing consequences. That is—

(a) confronting the United States with the dilemma—either to enter into a major Asiatic conflict, or finally lose all influence in Asia. The latter alternative would force the whole of Asia into the Soviet orbit and would fatally injure the prestige of the United States all over the world, Russia included;

(b) retention—at least in the initial stage—of an ostensible state of neutrality by the Soviet Union with all the formidable privileges of this status;

(c) invitation to the United States to drop the first atom bomb on say, China, or Indochina, or whatever other place in Asia, not on Russia. (There hardly will be any other alternative for the United States but to drop the bomb if they get involved in land combat in Asia).

The danger of war, and for that matter the chance for a revolution in Russia, have never been so real. Yet the revolution—sooner or later—is inevitable; while the war not necessarily is, provided—of course—America acts energetically.

The first immediate step to take is to break diplomatic relations with the Soviet Government. This dramatic act will demonstrate better than any words that the United States does not want to deal with a government of bandits. It will also permit the United States to oppose the tyrannic Soviet clique with a free and truly democratic Russian force. What could prove better to the Russian people the true intentions of American people?

If, however, a Soviet provocation still comes in Asia (and chances are that it will), the United States while fighting delaying actions with the help of Chinese Nationalist troops (under no condition should American soldiers be landed in Asia) strongly supported from the air and sea, should launch with all the might a crushing propaganda attack on the Soviet Union. But this could be successfully achieved only in close cooperation with the Russian revolutionary forces.

The CHAIRMAN. You may now continue your testimony.

Mr. BOLDYREFF. Since my arrival in this country I felt that it was extremely important—

Senator WELKER. May we have the date of your arrival, please?

Mr. BOLDYREFF. November 1947. I thought it was my duty to try to explain to the American people the enormous danger that threatens their very existence. Just before I have been speaking of it when I was requested, I feel that it is my obligation now as a man who has received hospitality in this country and learned to admire the people to speak even when I am not requested because I have seen things with my own eyes. I know that there is a terrific conspiracy against this country that is hatched in the Soviet Union in Moscow, and no matter how peacefully the people in this country are disposed, they cannot change the trend of the events unless the Soviet efforts are paralyzed at home.

It is my sincere conviction that the Western World willingly or unwittingly digs its own grave. The present policy of ambiguity, indecision, and half measures helps (a) the Soviet regime to strengthen its positions which otherwise have been seriously shaken and, (b) to

paralyze the evergrowing spontaneous process of revolutionization of the Russian masses. There are two principal forces at play in Russia today. One is hatred of the regime, which is the revolutionary stimulus. The other is the determination to defend the country, which is the patriotic stimulus. Since the revolutionary stimulus is inspired by patriotism, the people, if faced with danger threatening the country as a whole, will actually be swept by their patriotic emotions.

Hence, if the Government can convince the people that a war would lead to dismemberment of the country and the enslavement of the population, then the Soviet Government will really have no reason to fear a war. I mean no reason other than any country would have.

If, on the contrary, the Russian people gained the impression that there is no immediate threat of war or if they realize that this war, if it comes, will be waged only exclusively against the clique in Moscow, then the patriotic stimulus will reinforce the revolutionary stimulus.

Senator WELKER. Mr. Chairman, may I inquire?

The CHAIRMAN. Senator Welker.

Senator WELKER. Did you say if the Russian Government had no need to fear a war?

Mr. BOLDYREFF. If the Soviet Government can assure the people that a war that may come actually will lead to the dismemberment of the country, of the Russian State, and the enslavement of the Russian population, then if they succeed in convincing the people of that they will have no reason whatsoever to fear a war except on par with any other country.

Senator WELKER. It is your testimony that the Russian Government, you feel, would not tell the Russian people the truth?

Mr. BOLDYREFF. Exactly that is what I say, it will not.

Senator WELKER. It will not tell them the truth?

Mr. BOLDYREFF. No.

Senator WELKER. Then it is our obligation to impress the people of Russia rather than the Government?

Mr. BOLDYREFF. Exactly.

Senator WELKER. Thank you very much.

Mr. BOLDYREFF. The situation as it is today is the following: The Soviet Government is trying to do all it can to convince the Soviet people that the atmosphere in the world is exactly the same as it was when the Soviets were attacked by the Germans actually when the Germans wanted to enslave the population. They want to create a similar psychological atmosphere and in the absence of any interference on our part with that propaganda, with the isolation of the Soviet people as it is, and with the policies of the Western World as they are, it is not too great a task for the Soviet Government to achieve.

That the Soviet Government is not afraid of war, a war of their own type, a war such as they have started in Korea, or are now conducting in Indochina can be clearly seen, for instance, from the following fact: Isn't it symptomatic that the Communists have increased their pressure in Indochina twice, both times to coincide with the conferences in Berlin and in Geneva?

Mr. ARENS. Professor, what is the Kremlin's greatest fear, based upon your observations and contact with the underground?

Mr. **BOLDYREFF**. The Kremlin's greatest fear is the threat of an internal revolution.

Senator **WELKER**. And not massive retaliation from the atomic or hydrogen bomb?

Mr. **BOLDYREFF**. The hydrogen bomb is no longer a deterrent. It is no longer a deterrent for the following reasons: First of all, the Soviets possess a hydrogen bomb as well as the United States and both countries know that the side that will drop the bomb first may put the chances of winning the war into serious jeopardy, for the population of the attacked country, apart from here, will be filled with a just feeling of indignation, revolt, and have the will for revenge.

Mr. **ARENS**. Has there been any significant revolutionary activity in the Soviet Union since the solidification of the Red regime?

Mr. **BOLDYREFF**. Certainly. After the death of Stalin and the fall of Beria, the following dramatic events have taken place: First of all, you remember what was the attitude of the Red Army of occupation during the riots of East Germans and how numerous were the cases when officers and soldiers, defying the orders, came in support of the insurgents. Second, there were strikes at the centers of heavy industry in Kuybyshev on the Volga and in Kazakhstan.

There were riots, strikes, and stubborn resistance to MVD troops in the concentration camp systems of Vorkuta (North Russia, European Russian), Norilsk (Northwest Siberia), Karaganda (Central Asia), and Komsomolsk (the Russian Far East).

In Vorkuta, for instance, 150,000 prisoners refused to work in the coal pits, and faced the Government with a set of demands. It is interesting to note that for the first time the Soviet Government yielded to most of them. For 10 days the strike was on, and on the 10th day the Government decided to give in and actually fulfilled all the demands of the prisoners except one, which was to revise the sentences and liberate the innocent prisoners. That, they said, Moscow could decide only.

After they agreed to satisfy the workers on all other counts they ordered them to go back to work. Seventy-five percent of them continued to riot. Machineguns were brought in and 120 individuals were killed. The strike was broken but the spirit is still on.

The **CHAIRMAN**. As a matter of fact, the will of these people was so strong against this type of oppression that they were willing to fight tanks with their bare hands; is that not correct?

Mr. **BOLDYREFF**. Exactly that is it, and the German prisoners of war to whom I have spoken recently who returned from Vorkuta and Norilsk said that the prisoners were all the time hoping that weapons would be parachuted to them by Americans. Of course, their hope was not realized.

Mr. **ARENS**. Professor, what are the instrumentalities by which the masters in the Kremlin undertake the control, not only over the people but over the people in the Iron Curtain countries which are captives?

Mr. **BOLDYREFF**. Well, there are two ways of controlling the people. One is the psychological control, which is resulting from a special atmosphere which is created by Soviet propaganda, by trying to enforce into the mentality of the Soviet individual certain myths such as, for instance, as was the myth of the invincibility of the MVD.

Mr. ARENS. What is the MVD?

Mr. BOLDYREFF. The Soviet secret police; or the myth of the unity of Stalin's comrades in arms. The recent events, the death of Stalin and the fall of Beria, have completely torpedoed these myths and the spell began to vanish. The people began to react. They began to act in a more bolder way and speak somewhat louder. Symptoms of that could be traced all over the country.

Mr. ARENS. Is the purge still on?

Mr. BOLDYREFF. The purge is still on, particularly in the MVD, in the secret police, which actually contributes to the weakening of this service because people do no longer want to use their initiative. They don't want to use their imagination. They look up to the superiors for guidance. The unprecedented—mind you, the unprecedented—trick of Soviet diplomatic, and I should say particularly secret police, top officers, the trick of their desertion to the West is unprecedented. You have that Rastovorov in Japan. You have the couple of Petrovs in Australia. You have Khokhlov here. Why do they run away?

We know that before the diplomats were also exposed to the dangers of facing purges in Russia—for instance, Kamennev, Maysky, Krasin, Joffe and so on—but they all came back. Why? Because they were sure that the Government was stable. Today it is the MVD, the secret police official, who sees better than anybody else what is going on in Moscow.

Senator WELKER. Mr. Chairman, may I inquire?

The CHAIRMAN. Senator Welker.

Senator WELKER. You have stated now with respect to the fear that the Communists have with respect to Russia itself. Does that include the fear that they have of their own army?

Mr. BOLDYREFF. Yes, to a certain extent that is true. You see, the 3 battle machines of oppression, that is, the party apparatus, the administration apparatus, the MVD, which actually obeyed Stalin's every wish, has today broken up into 3 elements, 3 original elements, with the party and the administration's subjecting the MVD, the secret police, to a jealous, suspicious supervision.

This in itself has disorganized the control of the Government and has also produced or introduced a new element on the political scene and that is the army or its top leadership.

Mind you, all these officers, although they are carrying gilt-edged Communist cards in their pockets, are in their present prominent positions, not because of their services to the Communist Party or the Government, but because of their brilliant record in the war. Their popularity, and they know it, and their position of strength, and they know it too, depend on their popularity with the rank and file Red army soldier who actually is a conscripted peasant, or a conscripted worker, or a representative of the most unprivileged masses of the population.

Senator WELKER. Mr. Chairman, if I might further inquire, I will end my interrogation.

The CHAIRMAN. Go ahead.

Senator WELKER. Professor, is this a reasonable conclusion? That the Soviet conspiracy, or the masters in the Kremlin, are not only afraid of their own Russian people, but of the many satellites that

they have, and that is one of the major reasons why they have never moved on Western Europe?

Mr. BOLDYREFF. No; I don't think that they have moved on Western Europe, nor do I think that they will move on Western Europe, because they are afraid of the satellites. I think that they want to do a much more effective thing. They want to drag this country in a major Asiatic war.

Mr. ARENS. What country?

Mr. BOLDYREFF. This country.

Senator WELKER. Major, or continuing small ones?

Mr. BOLDYREFF. No; a major one.

The CHAIRMAN. Let me ask you there, Professor, what do you think from your knowledge are the chances of war at this time?

Mr. BOLDYREFF. The chances of war at this time are very considerable. I think the danger was never so real. It has never been so real for the following reasons: The Communist regime knows that the United States of America will never retreat to the suicidal formula of peaceful coexistence. That is clear. Everybody knows it. Since they know that they also know that theoretically as an implicit goal the United States would like to see a change of the Soviet regime. Because this is still a theoretical goal in practice very little is done by the United States to achieve that goal, and because the Soviets know that, the day will come when this goal will be lowered to a more practical level and become the object of practical policy, and because they know that this is inevitable and because they know that then the days of Malenkov and Khrushchev will be counted, they may strike a preventive blow.

The atomic bomb is not a deterrent because both sides have it. If any weapon is a deterrent it is the Air Force, but then this Air Force must have an absolute superiority. I mean it must have the capacity of delivering bombs, for that matter any bombs, on the enemy to cripple his industry and make it impossible for him to strike back.

The CHAIRMAN. In other words, when you refer to bombs you do not mean only the atom bomb? You mean the hydrogen bomb, the cobalt bomb, and so forth?

Mr. BOLDYREFF. Any bomb, even conventional bombs, but this superiority of air force does not exist today, still does not exist and the Soviets know it, so they may strike a preventive blow. They may strike it in Asia, not in Europe, although Europe, as I have seen it, is really incapable of defending against a real attack.

They will strike in Asia with all the ensuing consequences and that is confronting this country with a dilemma, either to embark into that terrific war in Asia, or lose completely prestige in all the Asiatic Continent and push it into the Soviet orbit.

Second, it will permit them to retain, at least for the initial stage, a state of ostensible neutrality with all the enormous economic, psychological, and political advantages, and it will force the United States to drop the first atomic bomb on China, on Indochina or any other place in Asia, not on Russia, with all the consequences, because it is absolutely clear that the United States cannot win a land war against the Chinese on the continent.

Mr. ARENS. There would be a Soviet technical neutrality while all this process is going on?

Mr. BOLDYREFF. Exactly, and the United States will be accused of having dropped that inhuman bomb.

Senator WELKER. Mr. Chairman, may I inquire for a question?

The CHAIRMAN. Senator Welker.

Senator WELKER. Professor, would you give us your best opinion with respect to whether or not the Asiatics generally are united in the Communist cause?

Mr. BOLDYREFF. I don't think that the Asiatics are so united in the Communist cause, but the Asiatics are definitely prey to certain psychological processes which result from their past when they were governed by white people. This the Soviet Government exploits tremendously. It boosts up their nationalism and it tells them, "Now, for the first time for many centuries you again are among the most progressive nations that are bringing order for the world and you will fight those egotistical and selfish Europeans and Americans who preach colonial policy."

Senator WELKER. If I may have one more question, Mr. Chairman, I will be through.

The CHAIRMAN. Senator Welker.

Senator WELKER. Could you inform the committee as to your best knowledge of the number of devout Communists in Russia today?

Mr. BOLDYREFF. I think that if I have to answer this question sincerely, I think that there is none. Even Malenkov and Khrushchev themselves are not devout Communists themselves, convinced Communists. If there are convinced Communists they are outside of the Soviet Union and just because they are convinced and fanatic Communists and they are convinced because they have not experienced communism on their own skins, they are loyal to the government which they feel is theirs and which aspires to become a world government.

Therefore, it sort of transcends in importance the Government of the United States, which is territorial.

The CHAIRMAN. Professor, Senate Resolution 247 was recently introduced in the United States Senate by Senator McCarran and myself. I would like to read it to you and get your opinion on it. Then I would like to ask you what is the most important thing that this country can do to separate the masses of the Russian people away from this Kremlin control and destroy this international conspiracy that is threatening the peace and the security of the entire world.

The resolution reads as follows:

(1) Whereas it is morally wrong for the Government of the United States to maintain diplomatic relations with the band of Kremlin international outlaws who, by stealth, and ruthless power, have enslaved one-third of the people of the world; and whereas the outposts and advance positions of this outlaw band, received and tolerated under the guise of "diplomatic missions," in the United States and other countries of the free world are in fact nests of espionage, seditious propaganda, and sabotage: Therefore, it is the sense of the Senate that the Government of the United States should sever diplomatic relations with the alleged Government of Soviet Russia and with the alleged governments of the countries which have been enslaved by the alleged Government of Soviet Russia.

(2) Whereas the tentacles of international communism are ever reaching for new areas of conquest, and this spreading menace, can be effectively combated only by concerted action of the free nations: Therefore, it is the sense of the Senate that the Government of the United States should convoke an international conference of the free nations of the world for the purpose of agreeing upon united action (a) to destroy the Communist fifth column, and (b) to resist further aggression by international communism.

I would like to know what you think of that method of procedure and what is the first immediate step that should be taken to separate the Russian people from this autocratic control of the Communist gang in the Kremlin?

Mr. BOLDYREFF. I think that the text of this resolution actually is the first clear expression of the step that should be taken to achieve the goal you specified.

The CHAIRMAN. Why do you say that, Professor?

Mr. BOLDYREFF. Because I feel that the break of diplomatic relations with the Soviet Government would in a most dramatic way show to the Russian people that the United States does not want to support the government of bandits, that it actually wants to see them free. Then when you will sever diplomatic relations, the power of the traditional diplomatic inhibitions which today prevent this Government doing to the Soviet Government what the Soviet Government does to the United States and has since its very rise to power in Russia—I mean to say that so far, because of the fact that you have diplomatic relations, you actually permit the Soviet Government to undermine you from within by fifth-column activities, by all sorts of other provocations, whereas you strictly confine your actions to normal diplomatic procedure.

Mr. ARENS. Professor, may I inquire there? It has been suggested that the United States Government by maintaining diplomatic relations with Soviet Russia and with the Iron Curtain governments is enabled to procure intelligence information which we perhaps could not otherwise obtain.

What is your reaction to that suggestion?

Mr. BOLDYREFF. My reaction to that suggestion is based on, I think, quite reasonable information and that is, that the information, the intelligence that the United States Government gets through its diplomatic representatives is so negligible that it does not actually justify the maintenance of a small group in Moscow and at the same time permit the Soviet Government to organize a number of official and semiofficial Soviet representatives which are actually doing a very effective job of spying.

Mr. ARENS. Is not this effective job of spying also, Professor, multiplied by the fact that they have control of the Iron Curtain countries, in the United States?

Mr. BOLDYREFF. Absolutely.

Mr. ARENS. In other words, they have numerous embassies, consulates, legations, and international organizations in the United States and in the other free nations of the world which are nests for espionage, and sabotage, and political subversion while we in Soviet Russia have 1 or 2 establishments which are under close surveillance by the Soviets. Is that a true statement of the picture?

Mr. BOLDYREFF. That is true.

The CHAIRMAN. Then you think this is one of the first steps that should be taken.

Mr. BOLDYREFF. I think that this is the real step conducive to the acceleration of revolutionary process in Russia.

Mr. ARENS. Assuming that this Government of the United States should sever diplomatic relations with all the Iron Curtain governments and undertake to convoke a conference of the free nations of the world to destroy the Communist fifth column, on the basis of your

background and experience and contact with the underground behind the Iron Curtain, could you tell us what would be the reaction of the rank and file people to such a step?

Mr. BOLDYREFF. The rank and file of the people, particularly if then—and I assume that this would be natural—if then the United States undertakes to pass the message to the people in a more effective way than it is doing today. I mean by balloons and so on and so forth. It will create a situation in the Soviet Union which will completely paralyze the activity of the Soviet Government.

For a moment, supposing that from today on the United States would start sending balloons with leaflets, and they are very effective—I know it from experience—balloons to the Soviet Union with the true message of its intentions, and so on and so forth, and that could come like a tornado every hour on the hour, thousands of balloons, thousands of leaflets, how would the Soviet Government, or how could the Soviet Government, under these circumstances move the population to answer this paper attack with bullets when they know how the population hates and fears a war, and particularly if it were aware that the population now knows exactly the aims of the United States?

Then, it would also show its absolute inability to stop this rain of information, rather, rain of propaganda, the truth, and the Iron Curtain would be literally smashed. Smash their Iron Curtain! Break the isolation of the people! Establish confidence among them. The Soviet Government will fold. The call of freedom is irresistible. The only thing they don't know is that people here are free.

Mr. ARENS. Professor, are you convinced beyond the shadow of a doubt that the rank and file of the people behind the Iron Curtain are antiregime?

Mr. BOLDYREFF. Absolutely. I have given you a number of examples. I could cite many more, but the very interesting fact is that the Soviet Government in order to win the support or the confidence, the sympathy of the people, started a number of concessions. Of course, the people know as well as the Government that a totalitarian regime can go along the path of reforms only a short distance, to a certain critical point, or it folds. But the fact of the Soviet Government wanting to make these concessions has shown to the people its wickedness and the result was very unpleasant for the Soviet regime.

The farmers, for instance, spent most of their time in their own backyards and stopped worrying about deliveries to the state. The situation became so bad that Malenkov had to mobilize 50,000 "agricultural experts," in quotes, from the cities to send them to the agricultural areas to boost up agriculture and punish saboteurs.

Mr. ARENS. When was this?

Mr. BOLDYREFF. That was in 1953. The result is a complete flop of the measure on both counts. We know that. We know that from the official statement of the Soviet Union, the catastrophic flop of the plan to till the virgin land, and so on and so forth.

The workers began to strike. You know that according to the law in the Soviet Union strikes are strictly outlawed and gravely punishable as one of the gravest offenses against the people, the people's government, and the state. Yet, for instance, in 1953, in June, a couple of hundred of young people, freshly graduated from Soviet-run vocational schools tried to work in a plant in Kazakhstan. When they came there they saw the conditions were just appalling. The food

was indigestible. They refused to go to work. The management ordered them to the workshops. They confronted it with a set of demands. The management refused to give them food. They didn't budge. The management sent food back to them. They didn't change their attitude. The MVD came in with machineguns and so on, and threatened them with reprisals. They reiterated their demands. The result was that the MVD yielded to all the demands, all were satisfied. What about the fact that the Soviet press recently has published that the MVD, the Secret Police, has arrested groups of students in Leningrad, Moscow, Odessa, Kiev, Kaluga, Blagoveshchensk, and some other places, accused for subversive anti-Communist activities in Russia?

This is the first time that the Soviet Government had to publish such reports in its own press and thereby acknowledge the existence of opposition among the younger generation of the population. This actually happened because rumors about these arrests were so broadly circulated in the population that they had no way but to break their curtain of silence.

Mr. ARENS. Professor, this question might be in the mind of the average or certain American citizens, and I would like to pose it to you. Since the Soviets profess belief in peace and creation of a peaceful world why would it not be well for the United States to sit down with the Soviet diplomats and work out some kind of a treaty, or pact, or understanding whereby we would have peace, whereby we give them what they need or what they say they need, and we would get what we need, and then we would proceed in a peaceful world?

Mr. BOLDYREFF. This is absolutely impossible, first of all, because of the nature of the Soviet Government. The Soviet Government can exist and carry out its experiments only by force of the Secret Police, by totalitarian measures. The fact that there exists a section of the world which is free in itself is a deadly menace to the Soviet regime, and so long as it exists the Soviet regime will never feel secure.

Mr. ARENS. Couldn't we work out a treaty or an agreement or a pact of some kind with their signatures on it that would be binding on it?

Mr. BOLDYREFF. I don't want to even discuss the value of Soviet signatures. We have seen the value of them many times. However, let's forget that for a while. The very fact of a signed document will not eliminate a situation in the world when the world is divided and is half free, half slave. Do you remember the words of President Lincoln who said that a state—or a world—half free or half slave cannot exist, that it either will become all slaves or all free, and that is the law of nature.

Mr. ARENS. Is an organized resistance movement possible today in the Soviet Union?

Mr. BOLDYREFF. It is not only possible; it is developing quite seriously. The very fact that the Soviet Government had to kidnap one of the overt workers of the organization, the NTS, in Berlin and send a special assassin from Moscow to eliminate, to kill an underground leader shows how seriously it is concerned about the activities.

The CHAIRMAN. Whom do you refer to there, Dr. Trushnovich, T-r-u-s-h-n-o-v-i-c-h?

Mr. BOLDYREFF. Trushnovich, that's right.

The CHAIRMAN. Could you give us some more information on his kidnapping. That happened about April 13?

Mr. **BOLDYREFF**. That happened on April 13.

The **CHAIRMAN**. By a double agent named Glaske?

Mr. **BOLDYREFF**. Glaske, that's right.

The **CHAIRMAN**. Could you give us, the committee, information further on that kidnaping?

Mr. **BOLDYREFF**. The kidnaping of Dr. Trushnovich was a very clever plan that the Soviets had in mind. It had a double-edged blade. First of all, they wanted to kidnap this man and pretend that he came of his free volition. Second, they wanted also to announce to the world that Trushnovich lured and kidnaped the double agent Glaske. Thus, they wanted to discredit the underground movement in the eyes of the world and then they wanted to create a halo of hero around the head of their own double agent, Glaske, and thereby make it possible for his wife and the entire net of his assistants to operate freely in the Western Zone.

They also thought that it might be possible later to let Glaske ostensibly escape and become even a greater hero in the eyes of the West and have a greater opportunity to spy for them.

However, this plan didn't work exactly as they thought because of the unreliability, professional unreliability, of the MVD, which is also a direct result of the weakening of the service which started after the fall of Beria. The kidnapers have done a very crude job, but when they brought Trushnovich, who was unconscious, to the Soviet side, they informed their superiors that everything went according to plan—no traces were left, nobody had seen—and the Soviet Government came out with the statement "Trushnovich came of his own free will and brought with him one of the anti-Communist leaders in Germany, Glaske."

Only 2 hours later the Berlin police came out with a statement which showed that the apartment from which Trushnovich was kidnaped was all splattered with blood and brought three witnesses who saw how the unconscious body of Trushnovich was carried to the car with Doctor Glaske peacefully walking behind, sort of closing the procession.

Through this professional unreliability, through the crudeness of the agents of the Soviet regime, the Government has been led into one of its greatest propaganda traps because it had issued a statement sealed and signed: "We have kidnaped Trushnovich because," they said, "he is in our hands. He came of his own free volition." That is what happened to Trushnovich.

Now, you know that Trushnovich was an overt worker. He didn't know any of the secrets of the underground and of course, as an overt worker, he had never taken any precautions for his safety. They kidnaped him, but the leader of the underground, the actual sort of general staff worker, Okolovich, they tried to silence with a bullet, and that happened, because there were three unsuccessful attempts to kidnap Okolovich, and the MVD has seen that it is becoming almost impossible, so what do they do? They kidnap an overt worker and they attempt to murder the activity leader of the underground.

Logically it should be the reverse. But, since they do it this way, it shows how nervous the MVD must be if it resorts to methods of terror, because its objective definitely is to intimidate an effort, but you cannot intimidate a determined effort.

The CHAIRMAN. Do you have a question, Senator Welker?

Senator WELKER. If he has finished that phase I wanted to ask him one question. A moment ago, you related how effective balloons and the dropping of messages from the free world on Russia might be, on the people who seek freedom. I will ask you this: Do you have any knowledge with respect to the effectiveness of Radio Free Europe or the Voice of America as it beams over into the Russian people?

Mr. BOLDYREFF. I must say that within the framework, within the limits, of the official policies of the United States, the material that the Voice of America sends, the content of propaganda is not bad. It has considerably improved as compared to what it has been doing before.

Senator WELKER. May I ask you this?

Do they have many receiving sets that can receive those messages?

Mr. BOLDYREFF. That is exactly what I wanted to come to. However, the Voice of America is a legitimate radio station and as a legitimate radio station it is bound by diplomatic considerations, and it has to use only certain wave lengths. Its broadcasts are jammed and therefore a considerable proportion of what they say is actually wasted.

Senator WELKER. That is true especially with respect to Moscow?

Mr. BOLDYREFF. That's right.

Senator WELKER. As a matter of fact, you never get that Voice in Moscow. Is that a fair conclusion?

Mr. BOLDYREFF. Sometimes vaguely you can get it, sometimes, but very rarely. The point is that what we need is a different thing. For instance, the underground has a clandestine model radio station, Free Russia. This is a black station and it has no inhibitions. It actually broadcasts on Soviet wavelengths whenever it can come, butting in, trying to use the pauses in the Soviet programs to throw in a slogan, and caustic remarks and a message, and so on.

Then it also gives eight regular daily programs on its own wavelengths, which are, of course, exposed to jamming, but it then moves to a neighboring wavelength, asking the listener to tune to it, and it takes some time for the Soviet jammers to tune their installations to a new wavelength. Thus, there is always a margin of a couple of minutes when the listener can get every word of the message and since the messages are always frequently repeated anyone who really has the persistence will get the entire message without fail.

Apart from that, Radio Free Russia butts into conversations between, for instance, Soviet flyers. You know that when Soviet planes fly out patrolling Germany, and so on, they have communication among themselves all the time. They are calling each other giving directions and having discussions. Well, operating on these wavelengths, the radio can actually affect these people and since they are sitting there alone, or 2 or 3 of them, they can listen to it with impunity.

When the planes are landed, for instance, and get directions from the airport, they must listen to this particular wave. If you actually get on the same wave, then the Communists who sit in the airport know very well that they can't do anything to stop the man in the plane from listening to the message.

During maneuvers the tanks, for instance, have great facilities to listen to underground messages. That is what Radio Free Russia

does. Of course, compared to the Voice of America, or BBC, it is a mosquito, but it has potential penetrative power incomparably greater than that of the Voice of America.

Senator WELKER. One more question and that is this, Professor: What does the secret police do to discourage the possession and use of radios, that might receive the messages from the Russian underground or from Radio Free Europe or the Voice of America? Is there sort of police action against radios generally?

Mr. BOLDYREFF. Officially there is no police action against radios generally, but the radio sets that are capable of receiving shortwave broadcasts are not very numerous in shops and are very costly. Thus, the people who can afford to have them are those usually in the higher brackets and are more sort of loyal to the Government. Loyal is not the word. I should say they are more apprehensive than the rest of them. The majority of the population, however, depend on what they call radio dots.

These are little loudspeakers that are fixed on the walls of practically every room in the Soviet Union because the Soviet Government needs these loudspeakers to make propaganda to the people, and these loudspeakers are wired to the local relay station.

This relay station actually gets the broadcasts of the big stations like Moscow, Leningrad, and so on, and then relays it through wire to the individual. If you transmit on the Moscow wave, then actually automatically every individual in the workshop, or in his home will hear your voice on that radio dot.

The CHAIRMAN. Professor, your complete statement has been filed with the committee and has been made a part of our records. We appreciate your appearing here this morning and cooperating with this committee. We know that we will be in touch with you and you will be in touch with our staff for further conferences and further testimony.

At this time we will excuse you this morning as we have another witness. We want to conclude before the lunch hour.

We want to thank you very much for your testimony and for your statements this morning.

Mr. BOLDYREFF. Thank you very much, Senator Jenner.

Senator WELKER. Thank you, sir.

The CHAIRMAN. Call your next witness.

Mr. ARENS. The next witness is Col. William F. Heimlich. Colonel Heimlich, will you please come forward?

The CHAIRMAN. Will you be sworn to testify?

Do you swear the testimony given in this hearing will be the truth, the whole truth, and nothing but the truth, so help you, God?

Mr. HEIMLICH. I do.

TESTIMONY OF WILLIAM F. HEIMLICH, WASHINGTON, D. C.

The CHAIRMAN. Will you state your full name for our record?

Mr. HEIMLICH. My name is William F. Heimlich.

The CHAIRMAN. Where do you reside, Mr. Heimlich?

Mr. HEIMLICH. Washington, D. C., sir.

The CHAIRMAN. What is your business or profession?

Mr. HEIMLICH. I am with the Gray Manufacturing Co., a businessman.

The CHAIRMAN. Proceed with the questioning.

Mr. ARENS. Colonel, give us just a word about your background, with particular reference to the service which we understand you had in the United States Army as Chief of Intelligence in Berlin.

Mr. HEIMLICH. I was designated by Supreme Headquarters, Allied Expeditionary Forces, in February of 1945 to plan the intelligence phase of the Berlin operation.

The CHAIRMAN. What year was that, sir?

Mr. HEIMLICH. 1945, sir; February 6, to be exact. We were a small team of Americans, later American and British, a planning body which eventually did go to Berlin, and I was AC of S, G-2, or Chief of Intelligence for American Military Forces in that city.

Mr. ARENS. I understand you were the initiator or operator of Radio RIAS for the United States Government. Is that correct?

Mr. HEIMLICH. Yes, sir. In early 1948—I should say in late 1947—it was decided by the authorities in Berlin, with approval from Washington, that we would answer the vilifications and anti-American propaganda which were pouring out of the Soviet mills and their satellite mills, and with that we built a powerful broadcasting station in Berlin known as RIAS for Radio In American Sector. That is now one of the world's most powerful stations.

Mr. ARENS. Since your disassociation from the United States Army—what date was that, if you please?

Mr. HEIMLICH. I left the military on the 1st of January 1947 to become Deputy Chief of Political Affairs for the military government in Berlin. I became Chief of RIAS a year later, and I left Germany as an American employee in the autumn of 1949—September 15 or 20.

Mr. ARENS. Since your disassociation from that activity you have on occasions returned to Europe, Central Europe, there to acquire information; is that correct?

Mr. HEIMLICH. Yes, sir.

Mr. ARENS. When was your most recent trip to Europe to acquire information?

Mr. HEIMLICH. In 1953, when I went to seven of the European countries on the perimeter of the Soviet Empire on a mission for the Foreign Relations Committee of this Senate.

Mr. ARENS. Colonel, you have a prepared statement which you have brought with you this morning?

Mr. HEIMLICH. Yes, sir.

Mr. ARENS. Mr. Chairman, I respectfully suggest that the prepared statement be at this point incorporated in the record, and the colonel proceed to discuss the contents of the statement in a conversational tone and manner.

The CHAIRMAN. The statement may go into the record and become a part of the record of this committee.

(The statement referred to follows:)

STATEMENT OF WILLIAM F. HEIMLICH

Mr. Chairman, I wish to express my appreciation of your invitation to me to appear today before this committee. I would like to preface my remarks by expressing also my wholehearted support of Senate Resolution 247, which has been introduced in the United States Senate by Senators Jenner and McCarran. Disruption of relations with the U. S. S. R. is a necessary step to be taken before any hope of our defeating the Communist conspiracy can be entertained.

Five years ago this week the blockade of the city of Berlin was abandoned by the Soviet Union after its failure to intimidate the courageous people of Western

Berlin and to drive out the western allies. The blockade which began in the spring of 1948, and continued through the grim winter of 1948-49, was one more move in the continuing cold war game, a move checkmated by the determination of the United States to halt the spread of international communism. That move, indeed the entire cold war with its hot actions on the perimeter of the Soviet Empire, was the result of the grave miscalculations which brought about United States recognition of the Soviet Union in 1933. That recognition gave respectability to a government of hoodlums and international cutthroats who seized power and kept it through force.

Three and a half months before the end of World War II, I was designated by Supreme Headquarters, Allied Expeditionary Forces to plan the intelligence phase of the Berlin Operation. I was with United States forces when we crossed the Elbe River and contacted the Red Army and I entered Berlin on the Fourth of July 1945 and remained there until the autumn of 1949. The pattern which Soviet imperialism took in that part of the world could serve as a model for the imperialist ambitions and expansionism of the U. S. S. R. in all parts of the world. From the vantage point of Berlin, I witnessed the collapse and destruction of the free forces of Poland, the enslavement of Czechoslovakia and the formation of a Red Government in Eastern Germany and Eastern Berlin. As Chief of Military Intelligence for United States forces in Berlin, in 1945-46, and responsible for the security of those forces, I was among the first of the United States Military Intelligence to be confronted with the efforts of the Soviet espionage apparatus to penetrate subvert and destroy the military organization and foreign policy of the United States. Those efforts took many forms and by recounting them in chronological order the pattern and objectives of international communism are revealed. I might say that Military Intelligence then and now was unprepared to cope with this conspiracy.

As early as August 1945, less than 3 months after the cessation of hostilities, a Soviet spy ring was uncovered in the secretarial school of the United States Group Control Council (later United States military government). German nationals, being trained in United States stenographic and office procedures and methods, were threatened and intimidated by Soviet secret police into reporting on United States installations, commanders, directives, methods and plans. This was the first of many such espionage efforts which we found and destroyed. Members of the Soviet spy apparatus, both German and Soviet citizens, were found in displaced persons camps and in the case of the German nationals, in the employment of American military government. Indeed military government itself had American agents of the Soviet apparatus among its officials (George Shaw Wheeler et al.). Because of the Soviet action in closing the frontiers of the Soviet Zone, we found ourselves almost from the beginning in a besieged city through which the Soviets could operate freely because of the international agreements; but where Americans were denied access to travel in the Soviet Zone by virtue of the Soviet determination to not honor its agreements made at London in November of 1944, and relating to the free travel between the various zones. In other words, Soviet agents could circulate freely within the American sector of Berlin and the other Western sectors whereas none of the Western powers could circulate in the Soviet Zone. The result was that German workers living in the Soviet sector of Berlin or in the Soviet Zone and employed in the Western Zone were recruited for espionage purposes by the simple expedient of holding their families as hostages.

Soviet forces which entered Eastern Germany in the spring of 1945 were accompanied by German "quislings" who had been trained in Moscow for the purpose of Sovietizing Eastern Germany. The plan was exactly the same as the plan following World War I, which failed at that time due to the fact that early Soviet Government lacked military power and due to the fact that there existed following World War I a Government of Germany which was able to cope with the situation. Following World War II, the Red Army was one of the most powerful military organizations in the world largely because of the \$12 billion which the United States Government granted to the U. S. S. R. during the war years under lend-lease. There was no German Government in 1945, thus creating a political vacuum filled almost at once by the trained minions of the Communist international apparatus. Among those Germans trained in Russia and returned to head the East German Government were men like Wilhelm Pieck, long-time Secretary General of the German Communist Party and resident in Moscow during the Hitler years, and Walter Ulbricht, now Prime Minister of Eastern Germany and longtime Communist resident in the Soviet Union. The remnants of the German Sixth Army captured at Stalingrad by the Soviets had

been brainwashed and many of its personnel returned to Germany as Soviet agents. One of these, Paul Margraf, a high-ranking Nazi who held Hitler's highest decoration, returned to Berlin in the uniform of a Soviet officer and as Chief of the East German police. He was chief of all German police upon our entry into the city of Berlin. Upon capturing the city in early May 1945, the Soviet military commanders had established a city government made up entirely of dedicated Communists or Communist sympathizers and the Western Allies upon entering the city signed a document in the so-called Komandatura, the military government for Berlin, recognizing all Soviet appointments. Thus Berlin had, in effect, a Communist government from the outset and until the first free elections in the autumn of 1946 when the people of the city rejected Communist government and giving less than 20 percent of the total vote to Communist deputies. This number reduced radically at the next free election.

Before elections could be held in postwar East Germany, all non-Communist parties were destroyed. Forced deportation, execution, kidnaping, acts of terror and intimidation made it impossible for normal political parties to grow, for non-Communist newspapers to exist, for churches to hold services or for individuals to speak out against the new regime. The merger of the Socialist and Communist Parties in Eastern Germany was not recognized by the western commandants.

The organization of the East Berlin and East German governments begins with youth and so-called cultural organizations. Children were and are compelled to belong to young Communist organizations where indoctrination into Communist ideology is accomplished in defiance of parental control, where young people are given intensely nationalistic, anti-Christ training and preparation for service in the Communist world military organizations. The propaganda mills began operating before the last shot had been fired. An example is Radio Berlin which was captured intact by the Soviet and was taking a strongly anti-American propaganda line even before Americans had entered the city. That radio station with its great studios located in the British sector of the city was denied to all non-Russian and non-Communist elements, both of the Western Powers and of the German state. That is still true today. British authorities have refused to silence the station which stands in the center of their sector.

After the elections of 1946, in which a non-Communist government was selected by the voters of the city of Berlin, an intensified campaign of terror was started against the elected officials and this culminated in September of 1948 with the imposition of the blockade of the city, the expulsion of elected officials from the government buildings located in the Soviet sector of the city, and with the deliberate arrest and humiliation of American officials who were visiting the Eastern sector of Berlin in the pursuance of their assigned duties. American officers and civilians, including women, were repeatedly arrested in the Soviet sector, assigned to humiliating tasks in filthy jails and then blandly released without apology after being paraded through the streets as ordinary criminals. Repeated protest by United States authorities in Berlin were ignored and such protests were greeted with jeers in the Soviet controlled press.

While United States authorities in the city of Berlin were undergoing the humiliating task of attempting to "get along" with Soviet authorities, they were being denounced in the press by officially sponsored Soviet newspapers and writers with consequent loss of prestige in Europe. Under official policy, Americans in Germany were forced to stand helplessly by and witness the sovietization of all of Eastern Germany, Poland and Czechoslovakia. The very hard core of European protestantism, and the imprisonment and degradation of the bishops and officials of the Catholic Church in the Balkan countries. United States policy was such that not until early 1948 were Americans able to speak out against this sovietization, this cruel expansion of the Soviet world through force and fear. Indeed, United States policy at that time was still being influenced by Alger Hiss, Harry Dexter White and others. Since 1945, Soviet and satellite writers and broadcasters have screamed their anti-American lies into Europe, Asia and South America. Nowhere in the world has our "Campaign of Truth" been successful in countering Soviet propaganda. When at long last, after years of enforced silence, the United States military governor was able to reply to the slanderous lies pumped daily into the newspapers and over the air the Soviet took the final step which was to drive us out of Europe, the imposition of the blockade of Berlin. That blockade was the most inhuman attempt to starve out two and a quarter million souls that has been made in modern history. While there is no parallel to the magnificent airlift through which the United States Air Force maintained the life of the city, there is also no parallel to the patience and fortitude which American forces in Berlin exhibited during that period. Had we then compelled a showdown and had we shown the proper realization of the forces and nature of

Soviet imperialism, we might have been spared the later heartaches of Korea, of the Chinese collapse and of the threats to all Asia. The efforts of the military governor, Gen. Lucius D. Clay, only served to alert Washington to the new peril of international aggression.

The objectives of international communism are the eventual subjugation of all free peoples of the world. There can be no other interpretation of the events of the past 8 years. The first limited objectives have been reached. In Europe, we have been able only to deny the U. S. S. R. the rich industrial prize of Western Germany. The Soviet Union has been able, through strikes, sabotage, propaganda, and acts of terror, to practically eliminate the states of Italy and France as active opponents of communism in Europe. They have taken over the Baltic countries, they have annexed half of Poland and have installed their quisling governments in Eastern Germany, in Czechoslovakia, Hungary, Rumania, much of Austria, and have added the rich Baltic States—Latvia, Lithuania, and Estonia—to the Soviet Union. They have achieved their objectives in the Far East and it seems to me that they are achieving objectives in the United States by their attempts to divide and destroy American faith in its own institutions.

The pattern of the Soviet imperialistic conspiracy, therefore, may be seen as follows:

(1) Through propaganda to seize the cultural media of any nation by subverting the press, radio, theater, motion pictures, and magazines to Soviet purposes.

(2) By espionage to obtain the secrets of any country, not only military but industry and economic.

(3) To destroy the morality of a state and its people by denying them access to their places of worship.

(4) By strike, disorder, and terror to infiltrate the labor organizations and turn workers against entrepreneurs in a so-called class war.

(5) To maintain steady military pressures upon the frontiers of target nations thus compelling huge expenditures for arms and diverting manpower from peaceful pursuits to the wasteful pursuits of war and eventually to destroy the target nation either by direct military action or internal collapse.

(6) To infiltrate the political and social body of the target nation by agents who appeal to so-called intellectualism, to class or creed differences and eventually to place such agents and dupes in positions from which they may eventually so affect the internal and external policies of the target nation that the ambitions of the Soviet Union are served.

All of these steps are clearly visible to those of us in the United States and we have countless examples of the success of the Soviet planning. When the U. S. S. R. was granted recognition in 1933, it was a nation that was bankrupt financially and morally. Following that recognition and the prestige which such recognition brought, the U. S. S. R. masters were able to begin wholesale purges, executions, and deportations that eliminated most opponents of the Kremlin and terrorized the rest. The Soviet Embassy in Washington became a control center for espionage and subversion in the United States. There is evidence to support the belief that those few disloyal Americans who served the Kremlin are still free today. A study of the Judith Coplon file is a case in point. We have learned much about the Communist conspiracy in the past 9 years. But the Communists have also learned and improved their methods as well. Strong, militant underground groups exist on both sides of the Iron Curtain. The Communist groups fight with the full force of the Kremlin behind them. The freemen still fight alone because our great power and prestige is shackled by our recognition of the Soviet Union and, under international usage and such legislation as the Logan Act, we are prevented from helping forces which might destroy the Soviet Government.

In stating some of these basic problems, it is my hope that I have been able to direct the attention of this committee to possible consideration of ways and means through which we may meet this threat to our civilization and our existence.

The CHAIRMAN. Proceed, Colonel.

Mr. HEIMLICH. Thank you, sir.

Five years ago this week the blockade of the city of Berlin was abandoned by the Soviet Union after its failure to intimidate the courageous people of Western Berlin and to drive the Americans out of Berlin and out of Europe. That blockade, which began in the spring of 1948 and continued through the winter of 1948-49, was one more move in the continuing cold-war game, a move check-

mated by the determination of the United States to halt the spread of international communism. That move, indeed the entire cold war with its hot actions on the perimeter of the Soviet Empire, was the result of the, to my mind, grave miscalculations which brought about United States recognition of the Soviet Union in the autumn of 1933. That recognition gave respectability to a government of hoodlums and international cutthroats who had seized power following the Soviet Kerensky revolution in Russia and who held onto that power through force and the terrorizing of its own people.

Three and a half months before the end of World War II I was designated to go to Berlin. I met the Soviet forces on the Elbe River and contacted the Red Army, and I entered Berlin with the United States forces on the 4th of July 1945, and I remained there, as I have said, until the fall of 1949.

The pattern which Soviet imperialism took in that part of the world could serve as a model for the imperialist ambitions and expansionism of the U. S. S. R. in all parts of the world. From the vantage point of Berlin I witnessed the collapse and destruction of the free forces of Poland; I saw the enslavement of Czechoslovakia, and the formation of Red governments in Eastern Germany and Eastern Berlin.

Senator WELKER. May I interrupt?

The CHAIRMAN. Senator Welker.

Senator WELKER. You witnessed this collapse of Poland, Czechoslovakia, and so forth. Could you tell the committee the pattern used? Did they first infiltrate these countries by espionage agents, saboteurs, and people dedicated to the radical Communist philosophy before the fall of these countries?

Mr. HEIMLICH. I was coming to that, sir.

Senator WELKER. Very well, sir.

Mr. HEIMLICH. The pattern was not so much that as it was the use of their trained Quislings, nationals of those countries who had been members of the international Communist apparatus for many years, and who were trained for their postwar jobs in Moscow, and came in with the Red army, and there they joined with the other groups such as the Benes government of Czechoslovakia, which, through its own determination to get along with the Soviet Union, signed its death warrant.

So-called liberal groups, particularly socialist groups of the captive countries, the so-called satellites, were used as the dupes and tools of the trained Quislings from Moscow who eventually seized power, and upon the seizure of that power those who had cooperated were liquidated.

As early as 1945, the autumn of 1945, less than 3 months after the cessation of hostilities, a Soviet spy ring was uncovered in the secretarial school of the United States Group Control Council in Berlin that later became the United States military government.

Senator WELKER. What was that? Under whose control was that organization?

Mr. HEIMLICH. The United States Group Control Council, later United States military government, was under the control at that time of the deputy commander of the forces in Europe and later the military governor, Gen. Lucius D. Clay.

Senator WELKER. That would be the Army?

Mr. HEIMLICH. Yes, sir. That was the United States Army.

The efforts which were made to destroy our prestige in Europe took many forms, and the objectives of international communism were something new to those of us in the field of military intelligence.

I might say that military intelligence at that time was not prepared to cope with this new problem, and I have the feeling that it is perhaps not prepared to cope with it today.

German nationals who were being trained in stenographic office procedure methods in Berlin in order to fill the great gap and to allow American military enlisted personnel to return home, were approached by the Soviet Union secret police—at that time it was called the NKVD—and they were threatened and intimidated into reporting on United States installations, commanders, and plans and objectives.

This was the first of many such espionage efforts which we found and destroyed.

Members of the Soviet apparatus, both German and Soviet citizens, were found in displaced persons camps, and in the case of German nationals we found them even in the employment of American military government.

Indeed, the military government itself had American agents of the Soviet apparatus among its officials, and I need only call your attention to the case of George Shaw Wheeler to back that up.

Senator WELKER. You know of others other than George Shaw Wheeler?

Mr. HEIMLICH. There were others.

Senator WELKER. Thank you, sir.

Mr. HEIMLICH. Because of the Soviet action in closing the frontiers of the Soviet Zone we found ourselves almost from the beginning in a besieged city through which the Soviets could operate freely because of the international agreements, but where Americans were denied access to travel in the Soviet Zone by virtue of the Soviet determination not to honor the agreements relative to travel which had been entered into in London in the fall of 1944. In other words, Soviet agents could, and did, and do freely circulate within the American sector of Berlin and the other western sectors whereas none of the western powers are able to move in the Soviet Zone.

The plan which the Soviet Union had for the takeover of Eastern Germany in 1945 was almost exactly the plan which had been contemplated at the close of the First World War. The difference was that the Soviet Government had at its disposal in 1945 one of the world's most powerful military forces, a force which had largely been built up through our nearly \$12 billion worth of lend-lease equipment. Also, in 1945 there was no German government in Eastern Germany. In other words, there was created a political vacuum which the Communist apparatus immediately filled.

Among those Germans trained in Russia and returned to head the East German government were men like Wilhelm Pieck, who was longtime secretary general of the German Communist Party and a resident in Moscow during the Hitler years, and Walter Ulbricht, now Prime Minister of Eastern Germany and a longtime Communist resident in the Soviet Union, one who at the conclusion of the First World War actually stole a ship belonging to the German Government and took it to Russia as a present for Lenin.

The remnants of the Sixth German Army which were captured at Stalingrad were brainwashed, and many of its personnel returned to Germany as Soviet agents. Indeed, one of these, Paul Margraf, a high-ranking Nazi who held Hitler's highest decoration, returned to Berlin in the uniform of a Soviet major and became chief of the East German police. He was chief of all German police upon our entry into the city of Berlin.

Now, upon the capture of the city in early May of 1945 the Soviet military commanders had established a city government made up entirely of dedicated Communists, as I pointed out, and when the Allies came in the western commandants, the French, British, and Americans, were asked to sign a document accepting the government appointed by the Russians.

We did so, and this caused us untold trouble for the next 18 months or until the first free election could be held in the city of Berlin, when the people of that city rejected communism.

Before elections could be held in Eastern Germany all non-Communist parties were destroyed. Forced deportations, executions, kidnappings, acts of terror and intimidation made it impossible for normal political parties to grow, for non-Communist newspapers to exist, for churches to hold services, or for individuals to speak out against the new regime.

The merger of the old German Socialist Party and the new Communist Party into a so-called United Party was a shotgun wedding not recognized by the western commandants.

The organization of the East Berlin and East German governments begins with youth and so-called cultural organizations. Children were, and are, compelled to belong to young Communist organizations where indoctrination into Communist ideology is accomplished in defiance of parental control, where young people are given intense nationalistic antichrist training and preparation for service in the Communist world military organizations.

The propaganda mills began operating in Eastern Germany and eastern Berlin even before the Americans arrived. An example is Radio Berlin, which was captured intact by the Soviets and, incidentally, the Soviets even retained all of the German personnel, denazified them on the spot, and they have continued to work for the Communists. That radio station, with its great studios among the finest in the world, is located in the British sector of Berlin and is denied to all non-Russian and non-Communist elements, both of the Western Powers and of the new German state. That is still true today. British authorities have refused to silence the station, which stands in the center of their sector even today.

Mr. ARENS. Colonel, may I interpose this question: When you were chief of Radio RIAS were you under any pressure by Communists or pro-Communist forces yourself?

Mr. HEIMLICH. Well, yes. We were under extreme pressure. There were threats made upon my life and threats made upon the lives of those German assistants who were the key personnel of the station. There were attempts made to kidnap my commentator, which were frustrated through the action of American military police. I had two reporters who were very badly beaten, so badly beaten they had to be hospitalized when the great Communist putsch took place in the city hall of Berlin when we were driven out of the eastern sector

of the city, which contained the city hall. My station was jammed continuously. I was attacked in the press. Some of the attacks were very amusing; some of them were less amusing. And, as a matter of fact, I felt many of the pressures on my own side of the Iron Curtain as well as from the other side.

Mr. ARENS. Do you feel that your disassociation from Radio RIAS was in any sense because of pro-Communist pressures on this side of the Iron Curtain?

Mr. HEIMLICH. I am convinced of one thing, sir, and that is that Radio RIAS was a powerful weapon for the free world until the fall of 1949, by its militant and determined and informed attacks upon the U. S. S. R., and upon the Communist international apparatus, attacks which did not always have the approval of my superiors in Bad Godesberg and in Washington. I feel that the radio station no longer has the same spirit that it had at that time when we were said by General Clay to have performed an outstanding mission for free peoples everywhere.

Mr. ARENS. Colonel, can you compromise with the Kremlin?

Mr. HEIMLICH. It is impossible to compromise with a conspiracy of the sort with which we are faced. It is like trying to compromise with a fire that is burning your house down. You have to put it out.

Mr. ARENS. What is the first step, in your opinion, to try to drive a wedge between the Kremlin and the people whom the Kremlin has enslaved?

Mr. HEIMLICH. I believe that there can be no consideration of any other step other than the dissolving of our diplomatic relations with the Soviet Union.

Mr. ARENS. Why?

Mr. HEIMLICH. The pattern of the Soviet imperialistic conspiracy takes six forms, which I would like to enumerate for you.

One, through propoganda and quasi-legal methods, to seize the cultural media of any target nation by subverting the press, the radio, theater, motion picture, and magazines to Soviet purposes. It is a type of national brainwashing.

Two, by espionage, to obtain the secrets of any country—military, economic, and industrial.

Three, to destroy the morality of a state and its people by denying them access to their places of worship.

Four, by strike, disorder, and terror, to infiltrate the labor organizations and to turn workers against entrepreneurs in so-called class wars.

Five, to maintain steady military pressures upon the frontiers of a target nation, thus compelling huge expenditures for arms and diverting manpower from peaceful pursuits to the wasteful pursuits of war, and eventually to destroy the target nation either by direct military control or internal collapse.

And finally, sixth, to infiltrate the political and social body of the target nation by agents who appeal to so-called intellectualism and to class or creed differences, and eventually to place such agents and dupes in positions from which they may eventually so affect the internal and external policies of the target nation that the ambitions of the Soviet Union are fulfilled and that nation is destroyed.

It is possible, of course, to forestall most of these attempts, most of these efforts, but it requires an enlightened determination and a kind of hardboiled realization of the facts of political life.

The CHAIRMAN. Colonel, you are acquainted with Senate Resolution 247?

Mr. HEIMLICH. Yes, sir.

The CHAIRMAN. Do you think that is one of the first and most essential things that this country could do to bring about what you have been testifying about here today, sir?

Mr. HEIMLICH. Sir, I think that is the most important single action which this country can take at this time.

The CHAIRMAN. In other words, Colonel, you can't stay in the middle of the road when you are dealing with a bandit conspiracy that is out to overthrow and destroy not only your country but the world? Is that correct?

Mr. HEIMLICH. That is quite true.

The CHAIRMAN. In other words, the middle of the road is a darned good place to get hit.

Mr. HEIMLICH. That is a very good way of putting it.

Senator WELKER. Would you allow me a question?

The CHAIRMAN. Senator Welker.

Senator WELKER. I notice you say in your statement that the Soviet Embassy in Washington became a control center for espionage and subversion in the United States.

Mr. HEIMLICH. Yes, sir.

Senator WELKER. That is your conclusion based upon your knowledge and your experience?

Mr. HEIMLICH. Yes, sir.

Senator WELKER. And what you have learned here in the United States?

Mr. HEIMLICH. Yes, sir. I think that the press has made that perfectly obvious to all of us with publication of trials such as that of Judith Coplon and others, that there was a direct connection, there was and probably still is a direct connection between the espionage attempts of the Soviet Union and subversion that continues inside our own Government, and the leadership that is exercised through the Soviet Embassy.

Senator WELKER. There is nothing we can do about it at the present, under the present diplomatic system?

Mr. HEIMLICH. Under the present system, no, sir. I think that the only thing we can do is to take such steps as are necessary to break off our diplomatic relations and to expel these people.

Mr. ARENS. What are the objectives of international communism?

Mr. HEIMLICH. The objectives of international communism are the eventual subjugation of all free peoples of the world. There can be no other interpretation of the events of the past 8 years, and the first limited objectives have been reached. In Europe we have been only able to deny the U. S. S. R. their principal target, which was the rich industrial prize of Western Germany. As a matter of fact, there is a song sung by the new so-called East German People's Army, which says, in effect, "Today we water our horses in the Oder; tomorrow we'll water them in the Rhine."

The Soviets have taken over the Baltic countries, they have annexed to themselves the Baltic countries and half of Poland, they

have destroyed Czechoslovakia, and Czechoslovakia today is suffering to a degree which makes the Nazi occupation a most pleasant memory.

They have subjugated the Balkan countries, they have intimidated and jailed and tortured the priests of the Catholic Church, they have, to all effects, destroyed the hard core of world Protestantism which is the 18 million Protestants in Eastern Germany, they have achieved their objectives in the Far East, at least their intermediate objectives, and, according to yesterday's and today's press, it looks very much as though they are well on the way to achieving those objectives in our own hemisphere in South America.

The CHAIRMAN. Are there any further questions?

If not, Colonel, we want to thank you for your cooperation. This is only the beginning of a series of hearings to encompass this problem that confronts this Nation. We appreciate your cooperation, and we want to be in contact with you in the future to assist and aid this committee.

Mr. HEIMLICH. Thank you, sir.

The CHAIRMAN. Thank you very much.

The committee will stand recessed.

(Whereupon, at 11:55 a. m., the committee was recessed, subject to the call of the Chair.)

STRATEGY AND TACTICS OF WORLD COMMUNISM

THURSDAY, MAY 27, 1954

UNITED STATES SENATE,
SUBCOMMITTEE TO INVESTIGATE THE
ADMINISTRATION OF THE INTERNAL SECURITY
ACT AND OTHER INTERNAL SECURITY LAWS,
OF THE COMMITTEE ON THE JUDICIARY,
Washington, D. C.

The subcommittee met, pursuant to call, at 10:15 a. m., in room 457, Senate Office Building, Hon. William E. Jenner (chairman of the subcommittee) presiding.

Present: Senators Jenner, Welker, and Johnston.

Also present: Richard Arens, special counsel; and Frank W. Schroeder and Edward R. Duffy, professional staff members.

The CHAIRMAN. The committee will come to order.

Will you be sworn to testify? Do you swear that the testimony you give in this hearing will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. HUNTER. I do.

TESTIMONY OF KENT A. HUNTER, 1026 16TH STREET NW., WASHINGTON, D. C.

The CHAIRMAN. Will you state your full name for our record?

Mr. HUNTER. Kent A. Hunter, H-u-n-t-e-r, 1026 16th Street NW.

The CHAIRMAN. What is your business or profession?

Mr. HUNTER. At the present time I have an organization called Facts, Evaluated that is devoted to the business of getting answers to questions. For 35 years before that I have been a newspaperman. In between that 35 years as a newspaperman I have been an officer in the Army, Reserve and Active, World Wars I and II, part of the time in intelligence, part of the time in field artillery, and part of the time in staff work, but the point that I would like to make is that none of the material that I bring out here was gathered as an intelligence officer, but as a newspaperman.

The CHAIRMAN. In other words you are here as a newspaperman, not as an intelligence officer?

Mr. HUNTER. Yes, sir.

The CHAIRMAN. Is your testimony just based on newspaper accounts, or is it based on your own individual research, or what are your qualifications for your testimony here this morning?

Mr. HUNTER. I have been in 4 continents and 17 countries, most recently in North Africa. That was last February. I have been since 1921 a very active follower on newspaper assignments, particularly of the Communist and other subversive movements.

The CHAIRMAN. That was your special assignment for 35 years?

Mr. HUNTER. That is right, sir.

Mr. ARENS. For Hearst most of the time?

Mr. HUNTER. Largely for the Hearst newspapers.

The CHAIRMAN. Proceed with the questions.

Mr. ARENS. Mr. Hunter, you have a prepared statement which you have for submission to the committee?

Mr. HUNTER. Yes, sir.

Mr. ARENS. Mr. Chairman, I respectfully suggest that the prepared statement of Mr. Hunter be at this point incorporated in the record and that Mr. Hunter proceed to speak extemporaneously from his notes.

The CHAIRMAN. It will be so ordered.

(The statement referred to is as follows:)

STATEMENT OF KENT A. HUNTER

Mr. Chairman and gentlemen, never has the Nation faced greater danger—not from the power of the underground enemy, but from the failure of a great mass of our people to recognize the skin-rash of local and domestic radicalism as the outcropping of the international Communist cancer rooted in the Kremlin.

Not to qualify as an expert, but to give the committee something upon which to evaluate my testimony, let me identify myself. My name is Kent Hunter. I live at 1026 16th Street N.W., Washington, D. C. I was born February 7, 1892, at Omaha, Nebr. I am a third generation newspaperman, or was until I established Facts, Evaluated, a research organization specializing in foreign, economic, and political fact-finding, on April 15 of this year. I am a sixth generation American.

Background for that organization is 36 years of newspaper experience, in which I have visited 4 continents and 17 countries. I have cumulative military service over 20 years, with retirement pay as a colonel, dating from December 31, 1952. My military service took me to Europe in both World War I and World War II. I have the Silver Star with two Oak Leaf Clusters, the Legion of Merit and the Bronze Star. My commissions have been in field artillery, military intelligence and as a military specialist on the staffs of Generals Drum, Lear, Fredendall and Patton in World War II.

In both newspaper and military fact-finding assignments I have studied communism and subversive activities. The studied opinions given to the committee today are those of an American with an unswerving belief in our form of government, rather than of an individual who espoused an alien ideology and "discovered the flag and Constitution" only after expulsion by the alien organization or after disillusionment as to the nutritive values of the forage in the Red pasture.

I have not cited sources in today's presentation. I will be glad to inform the committee however, of those sources, in executive session.

It must be remembered that world communism—the Third International, the Cominform, and the Kremlin group of Red Fascists—has one objective and sectional phases for planned attainment.

The thousands of pages of the Communist bibliography—Marx, Engels, Lenin, Stalin and the lesser lights clearly define that one objective as world socialism, with communism as an intermediate step.

Initially the first growth of communism was radicalism within the structure of nations. It failed, dismally, prior to World War I, because of jealousies, national limitations of language and cohesive movement.

The first phase—gaining of a national base from which to operate—came not with the overthrow of czarist Russia. That had already happened. What the Bolsheviks overthrew in the closing months of World War I was the Kerensky government, whose aim was the establishment of a democratic form of government based on English parliamentary procedure.

The second phase—consolidation of Russia under Communist control came in the confused economic, political, and power-play interval before World War II.

The third phase, building up of buffer satellites, from the Baltic to the Black Sea, and even to "warm-water ports" on the Adriatic, followed World War II and gave the Kremlin crew her satellite defense to the West.

Phase four, the drive for all of Asia took form during and subsequent to World War II. Only a fringe mopup, as the Kremlin sees it, remains to complete the Asiatic conquest.

Phase five is Africa, raw material base for industrial Europe.

The final phase is capture of Latin America, storehouse of raw materials for the Western Hemisphere, as a prelude to economic strangulation, in preference to an atomic war, to destroy these United States.

Phase five is already underway, and South America is even now feeling the infiltration and propaganda stages of Kremlin action.

This timetable for disaster is not just a sequence of words pieced together by an individual. As a famous, though frustrated American once said:

"Let's look at the record."

The trouble with most of us in America is that we seldom think things through. The millions of words printed about communism in the United States since we first began to document the record after World War I have, perhaps, served more to confuse rather than to clarify the issues.

We haven't been able to see the forest because of the trees.

Hiss and Browder, and Foster, and Whittaker Chambers and the other little pawns of domestic subversion have had the headlines while the key pieces on the world chessboard, safe behind the Kremlin walls, have been comparatively free to plot and plan the theft of continents from the orbit of the free world.

The country which shows on the world map as Russia must be studied against the backdrop of history before the ruthless brutality of the Kremlin despots can be understood.

As early as the second century the Goths from the Baltic invaded the territory east of the Carpathian mountains and in the upper basins of the Vistula, Pripet, Dneiper, Dvina, Dniester and Southern Bug rivers.

Two hundred years later the Huns, under Attila, incorporated the Slavs into the Hunnish Empire. That era passed with the death of Attila.

The Scandinavian Varangers, or warrior-traders, were called in by the Slav cities to defend them, and acquired power for over a hundred years.

The Slavs began to federate, and spread to the lower Dnieper before the Tartar invasion in 1228 and it was not until 1380 that the Mongols were defeated.

Russia as a nation, began to have a recorded history from 1251—the map accompanying this presentation, visualizes the areas and eras of expansion for the next 700 years—until 1951. It was prepared by the Library of Congress.

The backdrop, therefore, is one of constant wars, never-ending intrigue, revolutions, and eventual uprisings of the people to effect change. It was such a change, such an uprising, the result of plotting, which ended the regime of the Czars. It is no military secret that Lenin, Trotsky, and the early Bolshevik leaders were smuggled into Moscow by a coup financed by the Kaiser's Imperial German Staff, in 1918, to create revolution, overthrow the Russian Imperial House, take the Russian military force out of the war, to leave Germany free to fight on a single front in the West. For Germany the Bolshevik Revolution came too late, and in the backwash of the German defeat communism had time to dig the foundations for a dictatorship more brutal than that of Ivan the Terrible, of Genghis Khan or Tamerlane, or any of the ruthless leaders who had cowed the mass populations of Muscovy during the preceding centuries.

That Stalin, under whom world communism made its greatest strides, was as cruel as any dictator of the past is indicated by a brief tabulation in Michael Padev's book *What Happens to Communists*. Padev tabulates:

Nine of the 11 cabinet officers holding office in 1936 have been liquidated as spies or traitors.

Five of the seven presidents of the Central Executive Committee have been eliminated. Forty-three of the fifty-three secretaries of the Communist Party central organization have been blood-purged.

Fifteen of the twenty-seven top Communists who drafted the 1936 Communist Constitution have been eliminated as deviationists.

Seventy of the 80 members of the Soviet War Council have been killed.

Three out of every five marshals of the Soviet Army have died unnatural deaths.

All members of Lenin's first postrevolution Politburo are dead.

The Kremlin pictures the dictatorship of the proletariat as a government of freedom and enlightenment. Actually government is by the Soviet Communist Party. Membership in that party, in proportion to the total population under Soviet control, is no greater than the numerical proportion of princes, court favorites, and paid retainers who ruled under the Czars or even under the Mongol invaders of Russia's early history. Still further restricting the source of Kremlin

power, that proletariat is controlled by a group of less than 20 top leaders in the Politburo and its immediately subordinated official level.

Certainly no tight totalitarianism such as Soviet communism has a right to expect diplomatic equality with nations of the free world. The Jenner-McCarran resolution which calls for severance of diplomatic relations with Iron Curtain countries (S. Res. 247) spotlights that situation to a degree unequaled since the fight to block Soviet recognition, from 1924 to 1933.

Dr. Boldyreff, who testified earlier in these hearings, declared that the Russian people today are ripe for revolt against this newest government by oppression that has been saddled upon them. Dr. Boldyreff is probably one of the best informed people in America today as to what goes on behind the Iron Curtain. I am willing to accept his evaluation.

The Library of Congress map drives home one pertinent strategic fact which has never varied, under Czar or Politburo, in the last 700 years. The pattern of conquest shows a single military pattern. Military leadership from Moscow has always been perimeter expansion—movement into territory immediately contiguous to the Soviet land mass.

That fact is basic in any analysis of the present world Communist program and time table to rule the entire globe. Remember the pattern of the past in considering the pattern of the future.

England, France, Spain, Portugal, Holland, Belgium—all the great European powers who, through the centuries, built industrial economies dependent on colonies, separated from them by wide seas and oceans, have always faced the need of seapower, for communications and protection of lines of supply.

Communism has made no such mistake. She expands tentacles of the Red octopus to reach out and enfold only such populations, real estate, and material treasure as touch on her immediate borders.

Today, England, without her formerly supreme naval power, is dependent on imports for 80 percent of her food, and an ever greater proportion of the raw materials for her almost wholly industrial economy. So India has been able to break out of the British Commonwealth, Egypt is challenging British control of the vital outlet from the Mediterranean at Suez—a bottleneck vital to the flow of British commerce and supplies.

France today faces loss of Indochina, and holds her African colonies in a rising tide of discontent principally because the supply line is the short one across the Mediterranean instead of the long route through the Atlantic.

Spain's vast colonial empire in Africa and the Western Hemisphere crumpled when Drake sank the Armada. What Sampson did at Santiago and Dewey at Manila merely laid the ghosts of what had once been the seagoing pride of an insolent Iberia.

The rich islands of Indonesia are all but lost to the Netherlands because of the long lanes of transport to Holland.

The Red Soviet, having grafted itself on the seats of power of the greatest land mass under a single flag in all the world, has no distant colonies. Colonial imperialism has, therefore, been a recurrent slogan of the Kremlin crew from Lenin to Maïenkov.

Old Russia is ethnically a racial goulash resulting from the succession of invasions from Genghis Khan and Tamerlane to Hitler. Racial equality has been accepted by Old Russia long before Marx and Engels were out of rompers, or Lenin, Trotsky, Stalin, and the crew now seeking to rule the world were born.

It was easy for the Soviets to emphasize the superior status of the imperialist citizenry in the colonies of the high living standard industrial economy nations as compared to the life of the backward native colonial populations.

Time does not permit the detailed story of the territorial acquisitions of the Kremlin since the overthrow of the Czar and the Bolshevik seizure of power.

This summary needs to be recorded of the passage of one unhappy people after another, behind the Iron Curtain from V-E Day to date.

This tabulation shows a Soviet accretion of a land area 1.6 times that of continental United States; aggregate populations 3.5 times that of the United States and raw materials including a score of those listed in our present stockpiling programs as strategic and in short supply. The tabulation below presents this picture graphically.

TERRITORIAL GROWTH OF THE SOVIET UNION 1261 TO 1951

















Eastern Hemisphere following World War II

see Western Hemisphere, page 34

- | | | | |
|---------------|-----------------------|-----------------------|--------|
| Algeria | Dominican Republic | Egypt | India |
| Argentina | France | France | Iran |
| Australia | Germany | Germany | Iraq |
| Belgium | Italy | India | Israel |
| Belgium Congo | Japan | Japan | Italy |
| Belgium Congo | Kenya | Kenya | Japan |
| Belgium Congo | Madagascar | Madagascar | Japan |
| Belgium Congo | Malaya | Malaya | Japan |
| Belgium Congo | Mexico | Mexico | Japan |
| Belgium Congo | Netherlands | Netherlands | Japan |
| Belgium Congo | New Zealand | New Zealand | Japan |
| Belgium Congo | Nigeria | Nigeria | Japan |
| Belgium Congo | Philippines | Philippines | Japan |
| Belgium Congo | Portugal | Portugal | Japan |
| Belgium Congo | Romania | Romania | Japan |
| Belgium Congo | Spain | Spain | Japan |
| Belgium Congo | Sweden | Sweden | Japan |
| Belgium Congo | Switzerland | Switzerland | Japan |
| Belgium Congo | Taiwan | Taiwan | Japan |
| Belgium Congo | Tanzania | Tanzania | Japan |
| Belgium Congo | Turkey | Turkey | Japan |
| Belgium Congo | Union of South Africa | Union of South Africa | Japan |
| Belgium Congo | United Kingdom | United Kingdom | Japan |
| Belgium Congo | United States | United States | Japan |
| Belgium Congo | Uruguay | Uruguay | Japan |
| Belgium Congo | Venezuela | Venezuela | Japan |
| Belgium Congo | Yemen | Yemen | Japan |
| Belgium Congo | Yugoslavia | Yugoslavia | Japan |
| Belgium Congo | Zambia | Zambia | Japan |
| Belgium Congo | Zimbabwe | Zimbabwe | Japan |



NATIONS WITH OVERSEAS TERRITORIES AND ASSOCIATED STATES

- | | |
|--|--|
|  United States & possessions |  Spain & possessions |
|  British Empire & Commonwealth |  Italy & Trust Territory |
|  French Union |  Denmark & colony |
|  Belgium & colonies |  Norway & possessions |
|  Portugal & overseas provinces |  United Nations Trust Territories |
|  Netherlands & colonies, Indonesia |  Soviet sphere of influence |

*Western Hemisphere
following World War II*

Country	Area (square miles)	Population	Raw materials (principal)
Albania.....	10,629	1,175,000	Tobacco, timber, wool, hides, furs, fish, dairy products, olive oil, corn, cattle, bitumen.
Austria (part).....	8,093	829,000	Iron, steel, textiles, paper, pulp, aluminum, machine tools, chemicals, agricultural products.
Bulgaria.....	42,796	7,160,000	Agriculture, fruit, small industrial products.
China, Red.....	3,760,339	463,493,418	Agriculture, fruit, tea, silk, cotton, livestock, coal, iron, tin, antimony, petroleum, tungsten, molybdenum, bismuth, salt, chemicals, paper.
Czechoslovakia.....	49,358	12,340,000	Agriculture, armament, textiles, paper, glass, stone, metals, iron, chemicals, graphite, garnets, silver, copper, rocksalt, pottery, leather, uranium.
East Germany.....	42,112	17,313,700	Agriculture, tobacco, fruits, coal, lignite, iron, zinc, lead, copper, salt, petroleum.
Estonia.....	18,362	1,134,000	Textiles, shipbuilding, railroad repair, largest oil shale refinery in the world.
Finland ¹	12,173	469,000	Timber, granite, marble, sandstone, mica, iron, nonferrous metals, peat, diabase, porphyry.
Hungary.....	35,902	9,207,386	Agriculture, bauxite, coal, sugar, hemp, steel.
Korea, North.....	48,468	9,000,000	Timber, gold, silver, zinc, copper, lead, iron, tungsten, coal, graphite, kaolin, silkworms, agriculture.
Kurile Islands.....	3,944	350,000	Coal, fisheries, timber, metals.
Latvia.....	25,402	1,950,502	Timber, peat, agriculture, rubber manufactures, dyes, mineral fertilizers, glass.
Lithuania.....	22,959	2,879,070	Agricultural, dairy cattle, hogs.
Moldavia.....	19,175	3,464,952	Agriculture.
Mongolia, Outer.....	622,744	900,000	Gold, coal, marble, livestock and industrial production increased four-fold since 1945.
Poland.....	121,131	24,976,926	Agriculture, textiles, coal, chemicals, iron, zinc, lignite, petroleum, gas, lead, salt, potassium.
Rumania.....	91,584	13,873,000	Salt, petroleum, gas, lignite, gold, iron, copper, zinc, pyrites, agriculture, vineyards.
Ruthenia.....	11,180	800,000	Uranium, metal mining, timber.
Tibet.....	475,000	1,000,000	Musk, gold, uranium, copper, coal, iron, hides, wool.
Yugoslavia ²	95,558	16,338,504	Timber, agriculture, coal, iron, copper, chrome ore, antimony, lead, salt, bauxite.
Total:			
With Yugoslavia.....	5,528,839	588,710,838	
Minus Yugoslavia.....	5,433,281	572,372,334	

¹ Not a satellite, but dominated.

² Yugoslavia is listed with the Communist group. Tito, though currently at odds with Moscow, still has a Communist form of government, and was part of the Communist-Kremlin anticapitalist, anticolonial alliance of the immediate post-World War II period.

All these Communist accretions of people, land, and wealth have followed the historical pattern of expansion only on the perimeter.

At this point it is well to look at the new perimeter, and examine the current picture in each sector.

In Europe the defense picture is well understood through the wide presentation of the NATO and European Defense Community programs. A different Communist approach, in the various propaganda and trade agreement proposals from the Iron Curtain and Bamboo Curtain areas, is treated separately.

The hot war actions, first in Korea and more recently as far as the United States is concerned in Indochina, is understood also. But the secret war in the Middle East, south Asia, and the Pacific generally needs exposition for a clearer understanding. This phase begins at Suez and runs eastward.

Malenkov and company have put five and a half million square miles of territory, 588 million people, and fabulous raw material wealth into the Soviet orbit since World War II without firing a shot by the Red Army or entering officially into any of the sequences of history which brought the accretions into effect.

Malenkov and company, as did Stalin and company, have merely given "sympathetic and advisory and economic aid" to their allies.

Malenkov and company have prated "peace" while fomenting wars in all the areas on the perimeter.

Malenkov and company have sanctimoniously espoused "freedom" for the native colonial areas, incited uprisings to "nationalist" movements in the colonial areas—each move with a dual purpose. First it forces the entire anti-Communist world to divert vast financial programs to military use, to require a large portion of the industrial economy of the Western World to go to military rather than to civilian economic production—in which the backward Soviet industrial plant cannot compete with the more competent West. Second, the Kremlin-Communist combination is able to siphon arms, war materials, and training for war to the perimeter "nationalist" and "freedom" movements, using, in a majority of cases, World War II and other obsolete equipment, and permitting the gigantic Red Army, Red Air Force, and growing Red Navy a chance to devote its massive military appropriations to new and modern equipment capable of competing with the armed forces of the West.

Malenkov and company are not yet ready for world war III.

Peace—Kremlin model—calls for time in which the propaganda, the espionage, the sabotage machine developed since Roosevelt recognition of the Soviet in 1933 opened the gates for entry to the very citadel of capitalism, can be expanded beyond its present effective range.

Peace—Malenkov-Kremlin version—demands an opportunity to separate raw-material-producing Africa from the fabricating area of Europe; to split material-producing South America away from its natural manufacturing and industrial heart in the United States. The fourth section, Red Army (devoted to espionage) and the MVD industrial saboteurs need more time to put labor at the throat of capital, to put race against race, to create dissension all along the path of the sun around the Equator by pleading for the "rights of oppressed minorities."

Kremlin communism wants the cadence of conquest to be no blitzkrieg in the 1939 concept of the German General Staff. The Kremlin communism wants no tearing and rending and squabbling over its meat as the hyena or the jackal or the furtive and slinking coyote snaps and slashes at the carcass of some animal a stronger and braver foe has killed.

Kremlin communism wants the cadence of conquest to be the beat of the Roman legions on the march, the rhythmic pound of heavy armored centurions—slow, but moving ever forward with the impression of power that breeds hopelessness in the minds of those who have been overrun.

Proof of the Kremlin-Communist necessity for delay in any plan for World War III is amply documented.

The Korean truce dragged over months—during which the buildup of Nam II's Red Chinese Army permitted reinforcement of the depleted Red Chinese garrisons opposite Formosa, training of the Red Viet Minh forces of Ho Chi Minh in Red China before sending them into the final drive against the French Union forces in the 8-year-old civil war in Indochina.

The indication of delay and eternal stalling at Geneva as efforts are made to bring peace in Indochina is but a continuance of the Korean truce tactics.

Proved aid from Communists to Taruc and his Hukbalahap insurrectionists in the Philippines, the eternal and continuous infiltration of Communist propagandists and agitators into Burma, Indonesia, Thailand, Malaya, India, Nepal, Bhutan, Kashmir, Afghanistan, have all been part of the general pattern—delay and cost to the West, with Kremlin diplomatic forces remaining on duty in each area to direct the espionage, sabotage, and propaganda drives.

To counter the Communist perimeter war, the Western Powers, with Secretary of State Dulles as a pace setter, are seeking to evolve a 10-nation coalition in the Pacific to make further Communist aggression in the Pacific area a cause for united defense action—in effect the creation of an Asian coalition such as NATO and EDC provide in Europe.

The Kremlin's trade and peace campaign is aimed at drawing the perimeter countries into economic ties with the Communist orbit. "Tradesmen" and visiting "merchants" can, and habitually have been, excellent espionage and propaganda agents for the Kremlin. An up-to-date picture of the use of the trade-not-aid program of the Kremlin can be pieced together by listening to broadcasts from the Kremlin and satellite sources, the harangues of Red commentators and the printed propaganda in official Communist papers, magazines, and other printed outlets in this country and abroad.

Brief mention of some of these items documents the trend of this Red-led drive for trade as a part and parcel of her world strategy and plan.

Alphabetically by countries, and chronologically as to negotiations with the Soviet or its satellites, here are some notes of the Soviet use of trade as a weapon. The source of the following information is an intelligence agency which cannot be publicly identified.

Afghanistan: A Melbourne broadcast on February 10 said Afghanistan has been invited to send trade representatives to the U. S. S. R. in September. March 3 a Moscow broadcast claimed a trade agreement with Afghanistan had been signed in January.

Argentina: A Buenos Aires radio said a trade agreement between Argentina and Poland was in an advanced state. April 2 a Buenos Aires broadcast said Argentina had delivered 71,345 tons of a 145,000-goods contract to the Soviet under a contract then 8 months old. April 21, the Moscow radio said Argentina had completed a barter contract with Hungary totaling \$8,250,000. April 29, Buenos Aires announced a \$12 million trade negotiation with Rumania.

Australia: A Melbourne radio announced January 26 that the Soviet and satellites had purchased more than 1,000,000 pounds of good Australian wool. March 23, the Melbourne radio said the Soviet had requested a long-term contract to buy butter.

Belgium: February 1, Moscow broadcast that Belgium had agreed to build diesel ships, refrigerator ships, floating cranes, boilers, and other equipment for delivery to the Soviet in 1954 and 1955. February 26, Moscow announced a formal trade agreement with the Belgian-Netherlands-Luxembourg Economic Union, but did not mention types or amount of goods, repeating this announcement on March 3.

Bolivia: Moscow forecast a trade agreement with Bolivia on February 10, but no subsequent announcement came of its being effected.

Britain: January 25, Nesterov, president of the Soviet Chamber of Commerce, broadcast that a trade agreement had been reached with Britain. February 10 Moscow named Britain as one of a group of nations which would find trade with the East "more favorable than trade with the West." February 26 Moscow again broadcast that "negotiations had been successfully completed with businessmen" of Britain, but gave no details.

British Borneo: Moscow, February 10, said an invitation had been sent to British Borneo to participate in a Moscow trade conference in September.

Burma: Moscow named Burma, on February 10, as having been invited to the Moscow trade conference in September. February 26, the Rangoon radio said a trade agreement with Communist China, under discussion for 2 months, was nearing agreement. March 30, the Delhi (India) radio said the Sino-Burmese trade agreement would be signed the next day. Red China radio, from Peiping, on May 2, said the Burmese trade agreement had been signed on April 22 and been widely hailed by Burma newspapers.

Ceylon: Moscow said Ceylon had been invited to the Moscow trade conference in September. Peking radio, March 24, said Ceylon had signed a trade agreement with Communist China.

Chile: Moscow listed Chile as invited to the September trade conference in Moscow. Caracas radio, on March 18, said the Chilean Cabinet had decided to seek markets for Chilean copper throughout the world, "including countries behind the Iron Curtain."

Cuba: Habana radio announced that Cuba had authorized the sale of 20,000 tons of sugar to the Soviet, but would not sell nickel or other strategic war materials to the U. S. S. R. or Iron Curtain satellites.

Denmark: January 25, Moscow said Denmark had concluded trade agreements with the Soviet. January 26 Copenhagen radio said it had contracted to export another 5,000 tons of butter to the Soviet. February 2, Copenhagen said it was considering cheese sales to the Soviet. February 9 Bratislava (Slovak) radio said Denmark was preparing for an extension of trade with the Soviet because the Danish Government feared an economic depression in the United States. Copenhagen radio, February 16, announced a 1-year agreement to send seeds, agricultural products and electrical equipment to Hungary in exchange for machines, textiles, and foodstuffs. March 10, Stockholm radio said Denmark was planning a trade agreement with the Soviet "of several years standing." March 19 Copenhagen sent a delegation of businessmen to Moscow to select trade items for exchange. Stockholm radio said on May 13 that Danish-Soviet trade agreement negotiation were set for June. Copenhagen radio confirmed this 2 days later.

Egypt: February 7, Cairo radio announced a Bulgarian mission was coming to Cairo to negotiate a trade agreement. February 25, Cairo radio said trade

talks had been completed and a pact "is expected soon." March 1, Cairo said signing had been tentatively set for March 8. March 10, Cairo said a trade pact had been initialed between Egypt and the Soviet Union. The same day Cairo said a mission was on the way from Hungary to negotiate an Egyptian trade agreement. March 27, Cairo said the Soviet-Egyptian trade pact had been signed. May 7, Cairo said Egypt was studying trade pacts with Red China. Cairo said such a pact "would be easy to implement along the lines of that negotiated with East Germany," though Egypt has not recognized either Red China or East Germany. Cairo claimed Britain is "endeavoring to stimulate trade" with Red China.

Finland: Sofia (Bulgaria) radio said an agreement for exchange of goods with Finland and methods of payment had been signed. Helsinki, on February 18, announced a 4-billion finmark trade agreement with Czechoslovakia. February 24, Helsinki radio announced preparations for a new 5-year trade agreement with the Soviet Union. Moscow, February 26, said U. S. S. R.-Finland trade pact had been signed. February 26, Helsinki radio announced appointment of delegation to discuss trade with China (Peking). Moscow on March 3, and Peking, on March 4, said "agreements were being made." Oslo (Norway) radio announced April 3 that the Finland-Soviet 5-year trade pact called for Finland's importing 10,000 Soviet automobiles annually for the 5 years. Helsinki, May 18, said negotiations would be resumed "shortly" for a "long term" trade agreement with Soviet Union.

France: Moscow, February 10, listed France as a nation which "would do better dealing with the East rather than the West." France had previously been invited to the coming September trade conference in Moscow. March 3, Moscow listed France as having entered into a trade agreement with the Soviet Union last January.

Greece: Prague radio said on February 4 that Greece had resumed trade for 1 year with Czechoslovakia under an agreement signed at Athens. February 5, the Soviet Embassy at Athens said a considerable quantity of oil products would go to Greece under the pact. Bucharest (Rumania) radio said on May 20 that a trades and payment agreement between the two countries had been signed at Bucharest the previous day.

Iceland: Bucharest radio said on April 16 that a trade and payments agreement between Iceland and Rumania was signed on April 13.

India: Melbourne broadcast of February 10 listed India as 1 of 12 countries invited to Moscow trade conference next September. Delhi radio, March 24, said India had signed a trade pact with Rumania on March 23. Moscow, April 1, said India had decided to increase trade with Poland following negotiations at Moscow embassies of both powers. Poland will get iron and machines, mica, burlap, and other items. Stockholm radio, April 19, said India extended trade agreement with Finland for 2 more years, India to get newsprint, agricultural machinery, and wire cables.

Indonesia: Peking radio, January 23, reported "Jakarta is pleased with trade agreement between Indonesia and Peking. Jakarta (Indonesia) radio, January 31, said agreement "enthusiastically received by press and businessmen." Indonesia is invited to the Moscow trade conference in September. February 24, Jakarta radio said that "on basis of clearing and balance system" had difficulties with trade agreements of 1950 with Poland, Czechoslovakia, and Hungary and with Yugoslavia in 1953. Said difficulties were being overcome with Czechoslovakia and Hungary and those pacts will be renegotiated for 1954. Jakarta radio, April 23, said 11 East German trade negotiators were in Indonesia. Jakarta radio, May 18, said East German trade negotiations opened that day.

Israel: Jerusalem radio, January 26, said Director of Israeli Oil Affairs arrived in Moscow that day to purchase additional quantities of oil from the U. S. S. R. January 29, Israeli radio said delegation left for Budapest to sign trade agreement with Hungary. Tel Aviv radio, February 2, said Soviet commercial attaché had taken up expansion of trade with U. S. S. R. with Israeli foreign trade department. Jerusalem radio, February 8, World Zionist organization said Russia "genuinely interested in world trade now." Jerusalem radio, March 1, said trade agreement between Israel and Hungary had been signed. Jerusalem radio, March 5, said second oil agreement had been signed with U. S. S. R. by which U. S. S. R. will ship 100,000 tons of crude oil to Israel.

Italy: Italy was listed by Nesterov on January 25 as one of the countries with which Soviet Union had concluded trade agreements. Rome radio, February 5, said Italy had purchased 125,000 tons of hard grain from the Soviet Union "within the framework of the Italian-Soviet trade agreement of last October." Italy was

listed by Moscow radio on February 10 as one of the nations advised to look to trade with the East.

Japan: Melbourne radio, February 10, listed Japan as one of nations invited to Moscow Trade Conference next September. February 17, Japanese newspaper Yomiuri said, "Trade Ministry would pursue policy on increased barter with the U. S. S. R. and 'expected' trade with Communist China to increase in the spring." Moscow (Tass), on May 20, said East German and Japanese firms had agreed on delivery of goods valued at \$1.9 million. Tokyo radio same day said Red China suggested increasing barter of Japanese steel and iron products and machinery in exchange for China raw materials.

Lebanon: Limassol radio, February 2, said Lebanese Parliament had approved trade agreement between Lebanon and East Germany. Damascus radio, April 15, quoted Foreign Minister as saying Lebanese trade agreement with U. S. S. R. would be concluded shortly. Cairo radio, April 24, said Lebanon agreed to sign U. S. S. R. trade treaty and make May 1 an official holiday. Moscow (Tass), April 30, said trade agreement signed for 1 year, renewable annually unless one party or the other repudiates and agreements made for trade representatives in Lebanon and U. S. S. R.

Malaya: Listed in Melbourne broadcast as invited to Moscow Trade Conference in September. Karachi (Pakistan) broadcast May 3 said shipments of natural rubber will start moving from Malaya to Soviet Union before end of May, but direct export of rubber to Communist China or North Korea will remain banned.

Nepal: Invitation extended February 10 to attend Moscow Trade Conference next September.

Netherlands: Hilversum (Holland) radio, January 29, said U. S. S. R. had contracted to buy 70 million salted herring from Holland. Hilversum radio, April 27, said Netherlands would export 2 million kilograms of cheese to U. S. S. R. Hilversum radio, May 17, said U. S. S. R. ordered three cargo ships from Netherlands under existing trade agreement. Similar order for ships was placed in 1951.

Norway: Oslo radio, January 26, said agreement with U. S. S. R. for exchange of goods provides for Norway delivering aluminum, cellulose, and calcium carbonate. Moscow radio, February 26, said trade agreements had been signed this year with Norway. Oslo radio, March 23, said Norway agreement with Czechoslovakia calls for Norway importing Czech goods valued at 53 million kroner, and exporting goods valued at 45 million kroner to Czechoslovakia. Budapest radio, April 1, said negotiations between Hungary and Norway for trade agreements were being conducted.

Pakistan: Pakistan invited to Moscow Trade Conference in September. Has not responded.

Philippines: Invited to Moscow Trade Conference in September. Did not answer.

Sweden: Listed by Moscow on January 25 as having previously signed U. S. S. R. trade agreement. Stockholm radio, February 6, said agreement signed in Moscow nearly doubling Sweden's trade with U. S. S. R. as compared to 1953. Stockholm radio, March 23, said Swedish trade negotiations with Poland resumed that date. April 7, Stockholm said U. S. S. R. placed order valued at 180,000 pounds sterling for woodworking machinery. Stockholm radio, April 25, said 1954 double trade agreement now being met by Sweden. Sweden agrees to import 600,000 tons of oil from Russia as against previous agreement to take 500,000 tons. Russia trying to increase oil tonnage to 1 million. Stockholm radio, May 5, says Soviet sells oil and foodstuffs to Sweden, but that Sweden is to decrease steel and iron sales to U. S. S. R. while increasing engineering products and consumer goods.

Syria: Damascus radio, April 12, says East Germany wants trade pact. Syrian Government studying proposal and "hope to start talks soon".

Thailand: Moscow radio, February 10, said Thailand invited to Trade Conference in U. S. S. R. in September. No Thailand response.

Turkey: Ankara broadcast says "temporary" trade protocol governing import and exports of goods between Turkey and Rumania signed February 6. Ankara radio, March 28, said Turkey, by trade agreement with Czechoslovakia, would import agricultural machinery, machine tools, construction material, steel rods and artificial fertilizer.

Uruguay: Invited February 10 to Moscow Trade Conference in September. Lima (Peru) broadcast, February 12, said Uruguay would export 95,000 tons of pork and 5,000 tons of lamb to U. S. S. R.

It is not intended to convey the idea that this listing above covers all the moves in the Soviet cold war through trade. It does show the efforts, however, of the

Soviet and satellites to establish trade relations with 34 countries outside the Iron Curtain and success, to greater or lesser degree, with 25 to 27 of them.

It must be remembered that with the Soviet trade is a weapon, just as a tank, or a bomber, or a fifth column. Trade permits the Soviet to send in espionage agents, even where the Soviet does not have diplomatic representation. Amtorg Trading Corporation was a spies' nest in the United States years before the Soviet was granted diplomatic representation by an agreement that was a trick and a fraud in its very inception, and has not varied in the interim.

Trade, in the Soviet concept, is a means to "corner" strategic materials, and exert an economic coercion amounting to strangulation.

We have had the picture, to date, of the growth of the Soviet juggernaut from the Muscovy principalities in 1251 to the 1951 period when the major land areas of China, Mongolia, Manchuria, and Tibet fell into the Red zone of influence, producing the Red perimeter as of today.

Just what the effect will be on the Western World if communism absorbs the present "fringe" on the Asian perimeter may be estimated by this next tabulation. It shows what accretions go under the Hammer and Sickle influence in the immediate future if the Kremlin is not stopped in Asia—just as the earlier tabulations show what communism gained in the immediate period following the close of World War II.

Country	Area (square miles)	Population	Raw materials (principal)
Iran	634,413	20,000,000	Petroleum, rugs, and carpets; fruits and berries.
Iraq	116,600	5,100,000	Petroleum, barley, and dates.
Pakistan:			
West	310,236	33,800,000	Raw jute, raw wool, hydroelectric power to be developed; cotton, fisheries, and agriculture.
East	54,501	42,000,000	
India	1,221,880	356,829,485	Millet, rice, corn, wheat, tea, sugar, cotton, jute, linseed, coffee, rubber, textiles, steel, petroleum, copper, chromite, iron, mica, magnesite, manganese, and coal.
Burma	261,789	18,674,000	Agriculture, teakwood, silver, petroleum, rubies, jade, sapphires, and rice.
Malaya	50,650	5,227,000	Rubber, tin, rice, oils, and spices.
Thailand	200,148	18,836,000	Timber, rubber, cotton, spices, coal, iron, manganese, tungsten, antimony, and mercury.
Indochina	286,000	27,030,000	Iron, tungsten, manganese, rice, rubber, fish, coal, lumber, tin, hides, and spices.
Indonesia	735,865	75,500,000	Rubber, tin, oil, coal, bauxite, manganese, copper, nickel, gold, silver, spices, and agricultural products.
Formosa	13,800	7,617,753	Rice, tea, sugar, jute, gold, silver, copper, coal, and some spices.
Japan	147,690	84,300,000	Rice, fruits, gold, silver, copper, lead, zinc, iron, chromite, arsenic, coal, sulfur, salt, and petroleum.
Philippines	115,600	20,246,000	Timber, gold, silver, zinc, copper, iron, coal, petroleum, chromite, asbestos, manganese, rice, hemp, sugar, copra, fruit, and agricultural products.
Total	4,149,272	715,220,318	As indicated under separate areas.
(United States—Compare)	3,022,387	157,269,000	

The "Asian fringe," to complete communization of Asia, is an area $1\frac{1}{2}$ times that of the United States and 4 times the population. The Red movement represented by soapbox orators in New York's Union Square and London's Hyde Park in the pre-World War II days is now reaching out for continents.

Investigating committees of the Congress have produced sworn testimony from men who were there at the time, that Soviet Communists were working in the early 1920's to a Chinese Soviet as the basis for a Communist Asia. Hearings of the Internal Security Subcommittee documented this action, as have volumes of testimony by the House Un-American Activities Committee.

Throughout the pattern is the same. The Kremlin moved first to indoctrinate and propagandize, then to infiltrate and incite to internal upheaval, and finally to aid insurrection. Asia today—predominantly in the Red circle—is a product of 20 years of ceaseless propaganda, intrigue, and, where necessary, physical aid to armed revolution.

Africa, today, is in approximately the same relative position on the Red Fascist timetable for world control as Asia was in the early 1920's.

World communism, directed from Moscow, is proceeding in accordance with a program based on phased accomplishment, tentatively timed, but activated in succeeding phases without regard of the time consumed to complete each successive step.

After the overthrow of the Czarist regime, the Communist leadership first set about to establish its national base, from the security of which Communist infiltration might be extended to other lands through Communist parties established in those countries. Each of these Communist parties had to recognize, however, that it was but a section of the Third International, recognizing direction from the Kremlin.

By the middle 1920's, the next Russian Communist step—vital as a protection to Russia against Japan—had been fixed as the absorption of Asia, from Siberia to Singapore, and westward to Suez. Against that backdrop, the Russian operations throughout World War II are more easily understood.

The Soviet's activities since World War II, have seen these steps accomplished in the absorption of Asia:

1. Establishment of Red China.
2. Occupation of Tibet by a people's army of liberation.
3. Invasion of Korea and retention of half of it.
4. Backing of Ho Chi-minh in Indochina.
5. Abortive effort to aid the Hukbalahaps in the Philippines.
6. Backing of Indonesian independence.
7. Infiltration of Burma.
8. Effort to communize Thailand and Malaya.
9. Consolidation of Balkan satellites as buffers against the West.
10. Disruption of most Middle East governments, other than Greece, Turkey, and Israel.

After Asia, in the Communist long-range timetable, is Africa. Just as the Asian assimilation was planned by Borodin in the early twenties, so did the planning for Operation Africa begin in 1931.

In 1931, the Lenin Institute in Moscow set up the plan to train native Africans from the Negro tribes for future activities in Africa.

In 1933, the first African representatives appeared at the Lenin Institute, and from that date on, there have always been students at Moscow from Liberia and Ethiopia, with representatives from as many other African areas as year-to-year opportunities presented themselves.

Russian Communists had triple motivation for action against Africa.

First, the lifeline communication route of the colonial powers is through the Mediterranean, from Gibraltar to Suez. The control of that lifeline, from Communist bases in north Africa, could prevent transport to the British, French, Belgian, Portuguese, and Netherlands industrial areas of the raw materials from their colonies in either Africa or Asia. Industrial Europe would strangle without a smooth and uninterrupted seaborne flow of raw materials.

Second, militarily, Communist occupation of north Africa would place a Communist ring around half of Europe—as well as rob France and Spain and Italy of some of their best sources of military manpower.

Third, Africa is admittedly a treasure house of minerals and of other strategic materials without which no European power could make war against Russia. In this connection, the United States draws upon African sources for 28 strategic raw materials, and, without them, could not produce adequate war materials over an extended period.

Communism, as interpreted by Lenin, has always preached against colonialism—probably because Russia, as a continuous land mass, had neither colonies nor the need of them. Russia, historically, has expanded on her perimeter, and has never reached for a distant area without first acquiring the intervening land.

Communism, also, while ultimately in avowal against nationalism, invariably stirs colonies into revolutionary nationalism—and then, through placement of leaders among the revolutionaries, sets up a Communist form of government which quickly affiliates with international communism. For example, French and Italian partisans against the Nazis in World War II, have been the backbone of communism in France and Italy ever since V-E Day.

In penetrating Africa, the Soviet chose Communists from India as basic personnel. There are 360,000 Indians in South Africa, 100,000 in Kenya, 50,000 in Tanganyika, and 40,000 in Uganda. They are New Delhi Indians and generally occupy the white-collar and clerical jobs in African industrial and production organizations.

As late as June 1953, the organization of the Communist infiltration of Africa was an espionage and propaganda staff set up in Moscow with this personnel:

Director: S. P. Koziarev, Russian.

Deputy: Col. Beck Dumbadze, Russian.

Chief of Operations: Lt. Col. Harald Nuut, Russian.

First Deputy: E. F. Podvigin, Russian.

Second Deputy: Maj. V. I. Strashev, Russian.

Staff Officers: V. Kumanev, Bulgarian; and V. Bank, Russian.

Liaison Officer with Arab League: A. I. Chikov, Russian.

Director, North and West African Department: J. A. Klimentov, Russian.

First Deputy: A. N. Eropkin, Russian.

Second Deputy: E. Kallos, Hungarian.

Liaison Officer with Mogreb Liberation Committee: V. Kozarev, Russian.

Director, East Africa and Abyssinia Department: V. A. Kiriev, Russian.

Director, Sudan Department: Y. Iakhim, Czech.

Deputy: Y. Siedliaczek, probably a Czech.

The resident agents in the Sudan were stationed at Khartoum, Abu-Hamed, Omdurman, Port Suday, Atbara. This staff handles all African affairs, with communication to Moscow through the Czech legation in Cairo, using courier Max Mukhli.

It is important to note that Russia moved into Africa as soon as feasible after the end of World War II.

One of her greatest concentrations was at Addis Ababa. In that postwar period Russia noted visits of British and American industrialists—Lord Kemsley of England and Edward Stettinius of the United States—as a move developed to provide capital from abroad for African industrialization. Russian policy decreed the planning for a foothold in Northeast Africa as the beginning of a long-range effort to eliminate Africa as a source of strategic planning for the Western powers—before Russian infiltration gave her power to control the African areas politically.

While this stage of Russian operations was formative, Communists in England made it a practice to meet colonials from Africa, entertain them, indoctrinate them, and, in many cases, sent them back to Africa as pro-Communist.

Communist Russia designated Addis Ababa as the base from which to neutralize establishment of an East African base south of the Sahara by the Western powers—before the establishment of American and Allied bases in North Africa set up a defense line on the southern shores of the Mediterranean.

The Russian diplomatic personnel at Addis Ababa became larger than the Russian Embassy in Paris. By May 1951 Ambassador Rikanov had a staff of over 100. The word passed out by the propaganda members of the Russian staff was "We shall soon be at the Suez Canal." (By early 1954, this prediction was near fulfillment.)

Ras Sium, of Tigre Province, was told by Russian agents that he would be given Eritrea after "the Emperor had been overthrown" and when communism prevailed. Czech arms, including light artillery, were smuggled to Sium, presumably by Russian agents.

By June 1952, Communist propagandists spread the word that Communist membership in the Sudan, the Ivory Coast, and Nigeria had passed the 1 million mark.

Soviet agents, posting as traders, were used as messengers and intelligence agents. Four approaches were made in propagandizing the Africans. They were:

(a) To Asiatics in Africa, "A Communist India, backed by Russia, can master Africa."

(b) To backward Negroes in the tribal areas, "The tribal chiefs have sold out to the colonial powers. Only the medicine men can break this power." Medicine men reportedly were taught how to use quinine and ipecac to cure fever and dysentery, the most frequent tribal diseases, and so increase their influence.

(c) To Negro workers in urban areas: "You have been taken from your tribes and made to slave for the benefit of the white masters. You must prepare to win your freedom."

(d) To African intellectuals: "You must study, prepare to be leaders, to take your people out of slavery."

These intellectuals, after careful screening, were chosen to go to Lenin Institute, and later to Prague, to which the training of colonial agent-personnel had been transferred.

By May 1953 it was established that packages from Addis Ababa to Belgian, French and British territories, supposedly containing medicines and commercial

goods, frequently contained propaganda material for the Communists—and even weapons. These moved through the “traders” previously mentioned.

Timing of such movements as the Liberation Front in the Belgian Congo; the Beria Liberation Committee in Portuguese Mozambique; democratic rallies and shock group operation in the French colonies; the Mau Mau rebellion in Kenya; the strikes in Rhodesia; the Kaffir and other riots in South Africa; the rebel movements in Egypt and the Sudan, all indicated conformity to a master plan. From 1951 to 1953, the number of African students at Prague has been fixed at 100, out of a total of 300 trained there annually.

Specific individuals upon whom reports have been received show these operations:

Pascal Tongomba, in Moscow in mid-1953, director of the flow of arms to Africa through Addis Ababa.

Ignaz Feld, deputy for Tongoma, former Nazi intelligence officer who entered Soviet service after the German surrender, director of uranium sabotage in Belgian Congo and keyman in inciting the tribal medicine men against their tribal chiefs.

An American Negro known as “Butler,” assigned to incite Negro port workers to sabotage and espionage at African harbor areas.

A “Professor Azikiwi,” also known as Zik, in Nigeria, publisher of books, semiclandestine weekly paper, and a leading figure in the National Council for Nigeria and the Cameroons.

X. Bawasa, direct aide of Tongomba in French West Africa and in French Somaliland.

The Mau Mau trouble in Kenya, in which many were killed, was a subject of warning to British colonial governors as far back as 1947.

Eliu Mathu and Jome Kenyatta were named as leaders. Nothing was done.

The Mau Mau movement is, historically, an offshoot of the Maseregu movement, started in 1912, with ramifications from the cape to Cairo. It was suppressed, but bobbed up again in 1925 and was again forced underground. A missive letter to Kenyatta at that time outlined the entire plan for attacking all whites in Africa and all white governments by coordinated tribal uprising. It failed because the powerful Masai, Kamba and Kavironde tribes would not join. Still Kenya authorities failed to take the Kenyatta threat seriously. Only when a letter to Kenyatta from Moscow came into the possession of the authorities was action taken against the Mau Maus.

The situation in Liberia, where the Firestone Rubber Co. and American-owned mines are the principal source of Government revenue, is bad. The free Negro Republic has three divisions of population. There are 12,000 “citizens”—former American slaves who were repatriated in forming the Republic. They have Government jobs. Then there are about 80,000 assimilated natives, who usually have the menial Government jobs. The 1,800,000 other natives, in 28 tribes, hate the “citizens,” the second group of native Government workers, and, above all else, the whites. It is an ideal Communist infiltration setup. The tribesmen are told that all their troubles stem from the white men.

Nigeria, where 90 percent of American columbite and tantalite—critical short-supply strategic materials—come, is seething with Communist incitement to rebellion. (Aziwike and his aides.)

N. B. A Hamburg report on April 28, 1954, stated:

“A special training course for 11 Indian and 8 Nigerian Communists is currently being held at the SED school in Dresden-Heidenau. The course is directed by the Soviet Communist Party. In another course, 8 Greek and 12 Spanish Communists are taught by Soviet Party instructors to organize illegal party cells in their home countries.”

The Indian Communist activities have centered in South Africa and have been a big element in the “color-line” rioting against the Malan government.

N. B. An indication of the ideological war already being fought between Africa and India is indicated in the India Information Service broadcast from Delhi on May 6, 1954, replying to a charge by Dr. Daniel Malan, South African Prime Minister that “Nehru had his eyes on Africa”, and that “Nehru is the enemy of the white man.” It said:

“If democratic bodies like the African National Congress, the South African Indian Congress, and the South African colored people’s organizations are joining together to challenge white supremacy, the motive force is nothing so recent as Russian communism, but springs from man’s unconquerable mind, which is the same for black, brown, and white.”

Reports are that the India-Africa Council, directed from New Delhi, will have a Cairo conference some time during 1954 to rally all African radical and sub-

versive groups to united action. An all-Africa conference, supersecret, is to be held in interior Africa, according to report, to further coordinate tribal rebellion in all colonial areas.

Combating this trend, the Africa Capricorn Society is to confer at Mbye, Tanganyika, in August of this year. The Capricorn Society is basically a movement to create a new state composed of Uganda, Kenya, Tanganyika, Southern Rhodesia, and the northern part of the Bechuanaland protectorate, within the British Commonwealth.

Such a proposal would consolidate production of meat, coal, iron, lime, gold, copper, tin, magnesite, tungsten, and asbestos, with development of unlimited hydroelectric power, and give the new area a more solid government than the present separate colony setup.

The Communist effort to incite the Negroes south of the Sahara is a separate movement, though coordinated by the same Russian staff at Moscow, from the incitement of the Arabs north of the desert.

N. B. Under the latest pro-Western trend of the Iraqi Government, a broadcast on May 13, 1954, stated that Middle East Arab League States "were to be taken to combat Communism" in that area. That same broadcast quoted "American intelligence sources" as stating there are about 50,000 members of the Communist Party in the Middle East. The use of the term Arab League and Arab States would include North Africa.

The Moslem religion of the North African Arabs makes communism and its antireligious position anathema. At the same time the Arabs listen to the propaganda on freedom and for an Arab Nation with independent status. As early as January 1948, Maximov, Russian consul general in Algiers, advised Moscow against pushing Algerian nationalism at that time—on the ground that if France went Communist, it would be better to have a colonial Algeria as part of France than to have a separate Arab anti-Communist free state on the southern shore of the Mediterranean.

Since the establishment of American bases in North Africa, however, the Communists have established liaison with the Arab League and are again backing Arab nationalism, but more actively in Morocco and in Tunisia, where there are larger urban radical populations, than in the more highly agricultural economy of Algeria.

N. B. On May 12, 1954, the Deutschlansender broadcast, in German, a warning that between May 2 and May 9, over 100 agitators and 13 agents had been sent into West Germany, with 5 of the 13 earmarked for eventual Soviet service in Morocco and Switzerland.

In summary:

Russian communism feels that Asia is progressing adequately toward communism.

Africa, today, is in the infiltration state where Asia was from 1920 to 1945. Africa, in due course, is to be steered to local nationalism and freedom, and then incorporated in world communism.

Then American and the Western Hemisphere are to be attacked through infiltration of Latin America. Then the last source of raw materials for industrial North America will be dried up.

As recently as February of this year I was in Morocco, North Africa. In a brief 10-day period two attempts were made to assassinate the Sultan of Morocco, placed in the position of ruler by the French and the splendidly anti-Communist Resident-General Auguste Guillaume. The official, though unpublicized belief of the Moroccan leadership is that the Arab League is being duped by Communist agitators to incite rebellion and sedition by urging nationalism and freedom from colonialism among the Arabs, though the Arabs, traditionally for religious grounds, detest communism. A Moroccan uprising against the West would, of course, cost the United States the air and naval bases south of the Mediterranean without which ground troops in Europe could not be protected in any aggressive thrust westward by the Soviet in Europe.

The stake for which communism and freedom fight in Africa is best visualized by the area, population and wealth involved. Here it is:

Country	Area (square miles)	Population	Principal raw materials
South Africa	472, 500	12, 646, 275	Gold, diamonds, uranium, coal, copper, tin, iron, lead, lime, manganese, platinum, salt, talc, chrome, mica, graphite, beryl, corn, sugar, fruit.
Kenya	224, 960	5, 406, 000	Coffee, tea, sisal, dairy products, minerals.
Uganda	93, 981	5, 050, 000	Undeveloped.
Tanganyika	362, 688	7, 800, 000	Sisal, cotton, coffee, hides, beeswax, ivory, diamonds, lead, gold, mica.
Southwest Africa	317, 725	379, 000	Not available.
Southern Rhodesia	150, 333	2, 158, 350	Gold, chrome, coal, asbestos, corn, cotton, tobacco.
Northern Rhodesia	390, 323	1, 866, 000	Copper, zinc, cobalt, gold, vanadium, manganese.
Nyasaland	47, 404	2, 349, 000	Tea, wheat, cotton, rubber, tobacco.
Basutoland	11, 716	555, 390	Wool, wheat cereals (whites can own land).
Bechuanaland	294, 020	294, 000	Cattle and dairying.
Swaziland	6, 704	184, 000	Gold, tobacco, tin, asbestos, tobacco, corn, butter, livestock.
Nigeria	383, 593	23, 973, 000	Tin, lead, rubber, palm kernels, cotton lint, cocoa, hides, peanuts, tantalite.
British Cameroons	34, 081	1, 027, 000	Cloves, vanilla, ginger, pepper, ivory, palm oil.
Gambia	4, 005	268, 000	Undeveloped.
Sierra Leone	27, 925	1, 880, 000	Iron, hides, rice, nuts, chrome, gold, diamonds.
Gold Coast	78, 802	3, 734, 000	Manganese (2d only to U. S. S. R.), aluminum.
Ashanti	24, 379	823, 672	Gold, diamonds, cacao.
British Somaliland	68, 000	500, 000	Skins, resin, gum, goats, sheep.
Belgian Congo	904, 757	11, 259, 000	Palm oil, cotton, nuts, timber, coffee, cocoa, rubber, gum, sugar, ivory, copper, diamonds, gold, cobalt, tantalum, silver, uranium, radium.
Egypt	386, 000	20, 729, 000	Phosphate, petroleum, magnesium ochres, sulphate, talc, gypsum, salt, gold, alum, copper, beryl.
Ethiopia	350, 000	15, 000, 000	Iron, gold, platinum, copper, coal, sulphur, potash, rubber trees, copper, hides, tobacco.
Eritrea	48, 350	1, 080, 000	Gold, petroleum, stock raising.
Algeria	847, 552	8, 676, 000	Agricultural products, wine, iron, zinc, lead, mercury, copper, antimony.
Tunisia	43, 313	3, 231, 000	Fruits, agriculture, henna, corn, lead, iron, phosphate, zinc.
Morocco	172, 104	10, 442, 000	Skins, hides, wood, poultry, eggs, leather goods, oil, phosphate, manganese.
Angola	481, 351	4, 111, 796	Coffee, rubber, wax, sugar, cotton, diamonds, copper, iron, salt, gold.
Mozambique	297, 731	5, 090, 294	Sugar, cotton, nuts, copra, sisal, beeswax, coal, samarskite, silver, uranium, asbestos.
Sudan	967, 500	8, 309, 000	Copper, gold, salt, gum arabic, sesame, ivory, gold, agricultural products.
Total	6, 867, 497	152, 801, 647	Gold, copper, lead, zinc, diamonds, ivory.
French West Africa	959, 256	4, 386, 000	Hides, coffee, ivory.
French Somaliland	9, 071	48, 000	Rice, vanilla, maize, sugar, grain, cloves, tobacco, graphite, mica, nickel, gold, radium, agricultural products, hides.
Madagascar	241, 094	4, 350, 700	Fiber, rubber, rice, gold, iron, diamonds.
Liberia	43, 000	2, 500, 000	Very little production, poorest area in world.
Libya	1, 100, 000	1, 340, 000	
Total	9, 219, 918	165, 426, 347	

Communism's foothold in the Western Hemisphere, aside from the United States, and Canadian spy exposures since 1946, is too well known to need review here. The Central and South American infiltration has been in the headlines through the Guatemalan situation revealed recently.

But Guatemala is but one section of the drive that has been underway since the end of World War II openly, and covertly for some time prior to that. As briefly as possible, I would like to put that into the record—after all South America is, next after Africa, on the Soviet timetable for establishment of the Communist world.

The Communist drive in Central and South America is logical, logically enough with the failure of communism to seize strategic Gibraltar as a result of the Spanish civil war in 1937-38. Franco, seeking to oust the definitely pro-Communist Loyalist Government in Spain, found international Communist brigades fighting against him, with Russian-type equipment in their hands. Rightfully or not he accepted aid from Nazi sources. When the Loyalists lost and the Communist government sought refuge in Mexico, the whole Communist propaganda machine went into action to label Franco with every name in the dictionary.

When World War II began Germany occupied France and exerted every possible pressure to force Franco to yield Gibraltar and the gateway to the Mediterranean lifeline to Suez and the East. Had he yielded the outcome of the entire war

might well have been a Nazi victory. An American landing in Africa and the establishment of a base there would have been far more difficult, if not impossible.

Spanish- and Portuguese-speaking Central and South America became a hotbed of Communist propaganda, headed by the refugee Communist government from Spain. Mexico, in particular, and Cuba, secondarily became the Western Hemisphere bases for European communism.

Peron, in the Argentine, hated the United States. He offered sanctuary to Nazi naval forces during the war, and when Germany fell, began to flirt with the Soviet Union. In the elections in Uruguay, in November 1946, Peron used every possible means to elect an anti-American government in the republic to his immediate north.

In January 1950 a survey of the Central American and South American area uncovered these facts, dating back to the beginning of World War II.

There are about 1,250,000 Slavs in South America, with about 70 percent of them organized in language groups, principally by the Soviet. It was revealed that in November 1941 Communist leaders through the Western Hemisphere met in Mexico City to receive new directives from Moscow after the Soviet's entry into the war. Under direction of Kalnikoff and a Mrs. Nierska the orders were drafted for intensive pan-Slav propaganda, organization of armed groups, but no open Communist affiliations.

August 11, 1942, the Communist Latin-American Slav Committee was established in Moscow under direction of Alexander Gendurov. Two months later a coordinating committee was formed in Montevideo under a Dr. Karatev and one Michael Leftcharev. Heavy subsidies were arranged for a Slav press in South America.

By the end of 1947, 60 percent of all the Slavs in Latin America belonged to organizations under direct control of the Soviet.

From the November 1941 conference in Mexico City the organization of military forces has been ordered to be held in reserve until after the war to then promote revolutions and improve the Soviet's world strength position.

A German, Baron Veith von Golszenau (alias Ludwig Renn), and the Italian Communist leader, Vittorio Vidali, were given the 1941 assignment to head the Central American central staff.

The Panama Canal Zone, the Dominican Republic, and Honduras were deemed of sufficient importance to be listed as key points to attack. It was considered that these plans should be prepared while relations with the United States were still friendly. Action was to come when World War II ended.

Vidali traveled tirelessly during the war years, planning an international brigade, such as had been used in Spain. By the summer of 1945 this brigade was reported to have 1,921 officers and 11,800 men in the ranks. Units of the brigade were widely scattered but were strongest in Mexico, Costa Rica, Cuba, Haiti, and Guatemala.

Von Golszenau, before he returned to Russia in 1947 mapped much of the Central American and Caribbean area. He supervised organization of bases for landing arms and ammunition. He included British Honduras in his survey. Vidali assumed command after Von Golszenau left, helped by two men whose Communist Party names were Aire and Adi. In 1947 Vidali was transferred to Trieste and his place was taken by a Red Army officer who had fought in the Spanish civil war and spoke very good Spanish.

When United States-Soviet relations began to deteriorate the Communist international brigade went into action. At one time in 1947 forces were actually concentrated in Cuba with a view to invading San Domingo. Only firm action by Cuban authorities, spurred by strong representations from Washington frustrated this plan.

Later the brigade used detachments in Venezuela during the disturbances which put the leftist Bethancourt in power. It was also used during the riots in Panama City.

In 1948 the brigade was used to terrorize San Salvador after the election of a conservative president. The result was that a leftist coalition took power, dominated by one of the most powerful Kremlin men in the hemisphere.

Before his death in 1945 Constantin Oumanski, ostensibly Soviet minister to Mexico, wrote a report dealing with espionage and sabotage in the United States, and listing the Panama Canal and the locks at Sault Ste. Marie, Mich., as the two most vulnerable strategic spots for the United States, in North America. He placed top importance on Central and South America as a base for Communist operations in the hemisphere.

Oumanski, it will be recalled, was killed when his plane, which had just taken off from Mexico City, exploded. In November 1945, just after his death, two

Soviet intelligence officers, using the names of Vladimir Novak and Joseph Ardman, arrived in Mexico City. After an extensive survey in Panama they moved to Cuba, changed their names and in August 1946 went to Florida, and other places north and west in the United States. Then they went back to Mexico. By February 1947 Moscow had a complete survey of the whole thesis put forward by Oumanski. By the spring of 1947 there was a vastly increased influx of Soviet agents into Latin America.

Then, in February 1948, an astonished American public learned that the Panama National Assembly had unanimously rejected a long-term United States lease for bases protecting the canal. This rejection was a direct result of directives after Oumanski submitted his report. The Kremlin ordered that relations between the United States and Panama must be upset. The United States refused to light the fuse for the expected explosion. Moscow sent more agents into Panama. Arms, munitions, and explosives began to arrive from one source or another.

But, after the departure of Von Golszenau and Vidali conditions improved, in Mexico, particularly. Centralization of the Western Hemisphere Communist organization was ordered, first to Havana and then to Montevideo. Some units went to Guatemala.

Ten million dollars more than in any preceding month went to Mexican Communist headquarters in May 1948. Orders called for west coast concentration of Communist activities, from Alaska all the way to Chile.

Technical espionage was directed from Latin American Polish legations. Toledano, in Mexico, blossomed out at the head of a new party. Communist activity increased in Nicaragua, Honduras, and Panama. Agitation was stepped up in the Ecuador oil fields. The 1948 disturbances in Peru were a direct outcome of Communist activities. In Bolivia the Communists got arms and took over a Neo-Fascist organization originally set up by the Germans. In Venezuela efforts were made to organize the oil fields so as to disrupt American oil supplies in the event of World War III.

Direction shifted from the Polish to the Czechoslovakian legations in Latin America. A former GPU agent in Paris, Laszle Ratwany, using the name of Schmidt was one of the most important men in the network.

The attempted revolution in the Dominican Republic in June 1949, was inspired by Communists and helped by the Caribbean Legion. Preparations were started for a revolution in Nicaragua that year. This included shipment of arms.

As of May 1950, Col. Alexander Trusov, Mexico City military attaché at the Soviet Embassy headed the Soviet intelligence setup. Col. Boris E. Rudnev was his assistant. Capt. Gorgei E. Badan, Col. Gavrilovich Garikov, Lt. Col. Feodor V. Dremov were on the staff.

In El Salvador communism is banned by law. Some underground cells were in existence in mid-1950 with one Colonel Castanero in charge of Communist activities but operating from outside the country.

In Honduras, in mid-1950 Armando Rodriguez and Francisco Morazan non-Communists but professional revolutionaries were active.

British Honduras at this time closed off fishing boundaries from Guatemala.

Mexico centered its activities at this time on the Soviet endorsed "peace conference." In August 1950, opponents in the Mexican trade-union movement produced documents linking Toledano with Louis Saillant and Sergei Rostovi, both identified Communists. Their program was outlined as separation of Central America from the United States zone of influence and into cooperation with the U. S. S. R.

As of December 1952, there was still a strong Communist movement in Bolivia. Chile and Ecuador were less Communist, but more pro-Peron. Colombia and Venezuela are in turmoil, but with the Communists lacking as much power as formerly. Neither Peru nor Uruguay have yielded to the Peron bloc. Generally the Communists in South America have taken to the world line of the Kremlin—"nationalist" support, anti-American and in constant protest against "Wall Street imperialists."

Last November, Chile, ordering the deportation of Jacob Wainster, Rumanian Communist, took a big step to the right. The Argentine, however, entering into a Soviet trade pact, boosted Communist undercover activities. As of this month Mexico was moving into the Communist picture again, though Guatemala, as during the last 2 years, was the obvious Red capital of the hemisphere.

The South American and Central American, picture is outlined because it is, on the Kremlin world-conquest timetable, the next step after Africa. If it should

be prevented, the free nations should recognize that the stake, in land, people and wealth is:

Country	Area (square miles)	Population	Principal raw materials
British Honduras.....	8,867	65,000	Mahogany, fruits, chicle.
British Guiana.....	83,000	408,000	Gold, diamonds, manganese, mica, bauxite, sugar, sugar, timber, rice, rum, charcoal, copra.
Argentina.....	1,078,769	17,641,000	Silver, copper, gold, petroleum, cattle, agriculture.
Bolivia.....	416,040	3,054,000	Tin, silver, copper, lead, zinc, antimony, bismuth, wolfram, gold, lime, rubber, cinchona, bark, tungsten, petroleum, coffee, agriculture.
Brazil.....	3,288,000	52,619,000	Manganese, monazite (thorium), gold, mica, nickel, quartz, tantalite, tungsten, iron, coal, coffee, steel, cotton, cattle, fruit, timber, rice, agricultural products.
Chile.....	286,396	5,916,000	Nitrate, iodine, copper, iron, coal, gold, silver, cobalt, zinc, manganese, mica, mercury, salt, sulfur, marble, onyx, grain, fruit.
Colombia.....	439,997	11,260,000	Agriculture, coffee, rice, cotton, sugar, bananas, timber, rubber, emeralds, gold, silver, copper, lead, mercury, cinnabar, manganese, platinum, coal, iron, lime, salt, petroleum.
Costa Rica.....	23,000	825,000	Coffee, bananas, cocoa, abaca, corn, sugar, rice, tobacco, timber, gold, silver, quartz, alabaster, alum, mercury, sulfur, copper.
Cuba.....	44,206	5,469,000	Iron, copper, manganese, gold, petroleum, salt, sugar, tobacco, timber, fruits, fibers.
Dominican Republic....	19,332	2,167,000	Silver, platinum, copper, salt, iron, coal, petroleum, sugar, coffee, rice, tobacco.
Ecuador.....	175,830	3,076,933	Silver, petroleum, copper, iron, lead, coal, sulfur, agriculture, balsam wood.
Guatemala.....	45,452	2,887,000	Coffee, bananas, sugar, chicle, silver, gold, copper, iron, chrome, lead.
Honduras.....	44,411	1,534,000	Gold, silver, copper, lead, zinc, iron, antimony, coal, bananas, hardwood, coffee, tobacco.
Mexico.....	760,383	26,332,000	Silver, gold, copper, lead, zinc, antimony, mercury, arsenic, graphite, molybdenum, coal, opals, petroleum, agriculture, cattle, fisheries, timber, cotton, sisal, bananas.
Nicaragua.....	57,145	1,088,000	Timber, gold, stockraising, sugar, coffee, hides.
Panama.....	28,575	865,285	Timber, stockraising, bananas.
Paraguay.....	150,515	1,425,000	Timber, meats, hides, tobacco, cotton, grains.
Peru.....	514,059	8,558,000	Cotton, sugar, agriculture, vanadium, copper.
Salvador.....	13,176	1,920,000	Coffee, gold, sugar, balsam.
Uruguay.....	72,153	2,353,000	Do.
Venezuela.....	352,150	4,985,716	Agriculture, meat, coffee, petroleum, hides, rubber.
Total.....	7,901,456	53,488,934	

Completely out of continuity, but to further present the world picture, I would like to include in this record a document that came to me from confidential sources which I believe to be reliable. It is a translation of a secret pact reported to have been signed in Moscow on February 12, 1950—4 months before the aggression by North Korean forces was launched. The document reportedly was signed for Red China by Chou-En Lai, who represents Red China at the current Far East peace sessions in Geneva. It was reportedly signed for the Soviet by Andrei N. Vishinsky—known to the Americans for his bitter antiwest attitudes while serving in this country on behalf of the Kremlin.

I have no proof, naturally, of the authenticity of a document intended to be held secret by the top level, and first-level satellite of the Red conspiracy to rule the world. I merely suggest that public records of what has transpired from early 1950 to date confirm some, at least, of the 19 articles of the transcript. It is my information that the translation was obtained by Chinese nationalist intelligence sources and then transmitted to this country. It is possible that the committee may choose to make further investigation of this reported agreement, in executive session, with witnesses of those agencies of our Government which would know more about its possible authenticity than I.

The document, as sent to me, reads:

“[Translation]

“ARTICLES OF MAO-STALIN SECRET PACT

“Chinese People’s Republic and the Union of Soviet Socialist Republics—Special Friendship Pact.

“The Central People’s Government of the Chinese People’s Republic and the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics, for the purpose of strengthening the secret cooperation between the Chinese People’s Republic and the Union of Socialist Republics, in order to prevent together any form of aggressive act by Imperialistic policy as well as of the resurgence of Japanese Imperialism, with a view to establish a new order in Asia, and to strengthen the Chinese-Soviet friendly, cooperative relationship, especially conclude, in addition to the Two Countries Friendship Alliance Mutual Aid Pact, a Special Agreement, as well as each appoint a Plenipotentiary Delegate as below.

“The Chinese People’s Government of the Chinese People’s Republic specially appoint as Special Envoy the Chairman of the Chinese Political Affairs Department and Foreign Minister, Chou En-Lai.

“The Presidium of the Supreme Soviet Socialist Republic specially appoint the Foreign Commissar Andrei Noraiwich Vishinsky.

“The two plenipotentiary Delegates, after having examined together the document and found it appropriate, agreed to the following provisions:

“ARTICLE 1. The contracting parties, for the purpose of preventing together Imperialistic invasions and of coping with the third world war, agree that the Chinese People’s Republic will permit the Union of Soviet Socialist Republics to station troops within the Chinese boundary with a view to protect together world peace.

“ARTICLE 2. As from the date of conclusion of this pact, the Chinese People’s Republic will first assign Northeast and North China sea and air bases to the Soviet Socialist Republic as a military measure, and also through the Chinese Liberation Army, will assume responsibility of assisting in the carrying out of the liberation of Southeast Asia so as to effectuate the completion of the Liberation of the whole of Asia.

“ARTICLE 3. The contracting parties agree to reorganize the Chinese People’s Liberation Army into (an) International Communist Army, to be under the direct command of the highest officer of the Red Army.

“ARTICLE 4. The Chinese Republic will be responsible for the mobilization of ten million Chinese workmen to assist Soviet Russia to collectively construct the Sino-Soviet military establishments in order to cope with imperialistic activities and aggression.

“ARTICLE 5. The Chinese People’s Republic will make available all North China ports to the stationing of Soviet troops, as well as to provide free access and exit. Such ports will include Chinwantao, Haichow, Chiefoo, Weihaiwei, Tsingtae and Dairen.

“ARTICLE 6. The Chinese People’s Republic will, before the end of this year, increase the number of soldiers by four million so as to be ready for meeting the imperialistic act of aggression.

“ARTICLE 7. The population of the Chinese People’s Republic must, owing to the existing lack of resources, be diminished by 100,000,000, since otherwise they cannot be sustained. Its detailed procedures are to be determined by the Chinese People’s government themselves.

“ARTICLE 8. All government Departments of the Central People’s Government of the Chinese People’s Republic should invite technical personnel from the Soviet Socialist Republic as advisors.

“ARTICLE 9. The two contracting parties agree to the sending by the Soviet Government of technical personnel, to participate in the operation of the main industries in the various districts of China. The Government of the Chinese People’s Republic agree to accord them with favorable treatment in accordance with the favorable ‘supply system.’

“ARTICLE 10. The Chinese People’s Republic will open in Soviet trade coastal ports and inland markets, as well as agree to levy duties at the 1/100 part under preferential rates.

“ARTICLE 11. Both contracting parties agree, under mutually beneficial and mutually profitable conditions, to carry out barter exchange for commodities in order to establish friendly relations.

“ARTICLE 12. The government of the U. S. S. R. will have special right to allocate the iron and other mineral raw materials within the boundary of the Chinese People’s Republic: of which the lead mines, with the exception of retain-

ing 20 percent of the total yearly production for self use, the rest should be supplied to the U. S. S. R. to expand the heavy industries in order to assist in the industrialization of the Chinese People's Republic.

"ARTICLE 13. Within the boundary of the Chinese People's Republic the thirteen cities—Peking, Tientsin, Shanghai, Kwangchow, Changsha, Hangchow, Kiukiang, Chungking, Fu-hu, Amoy, Swatow, Foochow,—are to be demarcated as to the central district to serve as residential districts for immediate immigrants from the U. S. S. R.

"ARTICLE 14. The Union of Soviet Socialist Republic, for purposes of fulfilling the request of the Central People's Government of the Central (Chinese) People's Republic, extends a credit of U. S. \$300,000,000 to China, (the principle of utilization and repayment of the credit to be specified in the credit agreement). The Chinese People's Republic, however, must use as security the entire raw material production of the Northeast and North China with the kinds of raw material to be determined according to its actual needs by the U. S. S. R. at the time of repayment.

"ARTICLE 15. The contracting parties both agree that the Soviet Government shall share in the administration of the Changehun Railway and the fifty Chinese miles of territory along the railroad. The offices in which the delegates from both parties are responsible, such as the Head of the Railroad Department, Chairman of Directors (Directors), are owing to the present necessity, to be undertaken by the Soviet delegates, while the deputies are to be undertaken by the Chinese.

"ARTICLE 16. According to the Manchurian Agreement concluded between the Chinese Communist Party and the Union of Soviet Socialist Republics, the U. S. S. R. shall continue to enjoy special trading rights. The Chinese People's Republic ought to provide corn and commodities to the Soviet Government.

"ARTICLE 17. Both contracting parties agree to the establishment of People's Government by the different races of people in Inner Mongolia, Sinkiang, and Tibet through both sides assumption of responsibility in helping their independence.

"ARTICLE 18. The contracted agreement shall, after ratification by both parties, become immediately effective. The ratification papers are to be exchanged in China.

"ARTICLE 19. The contracted agreement pertains to the nature of high policy secret. The contracting parties both have duty to keep it secret and not to publicly announce it.

"Done in Moscow on February 12 in the year 1950 in duplicate: each copy to be written in Chinese and Russian. Either copy in both languages are equally effective.

"Plenipotentiary Delegate of the Central People's Government of Chinese People's Government—Chou En-lai.

"Plenipotentiary Delegate of the Presidium of the Union of Soviet Socialist Republics—Andrei Noravich Vishinsky."

In view of the subsequent policy position of the United States in the Far East under the administration then in control of the Congress and the White House, a military intelligence estimate of the Chinese situation and the Soviet Far Eastern influence, prepared as a secret document in 1945, and subsequently declassified, should show in the record of this committee. A photostat of that report, showing the name of the Brigadier General who submitted it to higher military authority, and also showing the declassification of the document, follows.

Unclassified by authority of the Director of Intelligence, GSUSA.

By SETH PARKER.

Date 24 August.

THE CHINESE COMMUNIST MOVEMENT

5 JULY 1945

MILITARY INTELLIGENCE DIVISION, WAR DEPARTMENT, WASHINGTON, D. C.

By Authority of A. C. of S., G-2

Dated: July 1945 (———)

Initials

WAR DEPARTMENT, MILITARY INTELLIGENCE DIVISION

WASHINGTON

CHINESE COMMUNIST MOVEMENT

Prepared by Military Intelligence Service

1. *The problem.* The problem of the Chinese Communists is not merely one of how the Communists should be dealt with; even more difficult has been the problem of determining the facts. "Authorities" on both sides have disputed the most elementary statements of fact.

It was considered by the Military Intelligence Service that this state of affairs constituted an impediment to the effective prosecution of military operations in China and in the Pacific. A major project was therefore initiated at the end of 1944, under which the most competent analysts—both civilian and military—were assigned to the examination of *all* material available, and to the compilation of a report on the Chinese Communist movement. The preparation of the report involved the examination of over 2,500 reports, pamphlets, and books.

2. *Fundamental conclusions.* Careful study of these materials has led to a number of basic conclusions. Appropriate qualification and detailed authentication for these conclusions is contained in the full report. The most important conclusions may be summarized as follows: (1) The "democracy" of the Chinese Communists is Soviet democracy, (2) The Chinese Communist Movement is part of the international Communist movement, sponsored and guided by Moscow. (3) There is reason to believe that Soviet Russia plans to create Russian-dominated areas in Manchuria, Korea and probably North China. (4) A strong and stable China cannot exist without the natural resources of Manchuria and North China. (5) In order to prevent the separation of Manchuria and North China from China, it is essential that, if Soviet Russia participates in the war, China not be divided (like Europe) into American-British and Russian zones of military operations.

3. Basis of conclusions.

a. High morale. The Chinese Communists are the best led and most vigorous of present-day organizations in China. Their morale is high. Their policies are sharply defined, and carried out with a devotion which is fanatical.

b. Policy of establishing communism through "democracy." The Chinese Communists emphasize two stages in their revolutionary program: first, the change of the Chinese semi-feudal society into a "bourgeois" (or capitalist) democracy; second, the establishment of communism. The first is their present goal according to their own claims. They insist, however, that the "bourgeois democracy" must have "the support and leadership of the proletariat under Communist guidance." This objective they have achieved in their areas of control; theirs is a one-party controlled "democracy".

c. "Soviet Democracy." While the Chinese Communists, call their present political system "democracy," the "democracy" which they sponsor is in fact "Soviet democracy" on the pattern of the U. S. S. R. rather than democracy in the Anglo-American sense. It is a "democracy" more rigidly controlled by the Chinese Communist Party than is the so-called "one-party dictatorship" of the Chungking Government controlled by the Kuomintang (People's National Party). This is indicated by the fact that Chiang Kai-shek rules by maintaining a measure of balance between the various factions within the Kuomintang and by making concession to the non-Communist opposition groups outside the Kuomintang in Chungking-controlled China. Whenever he fails, as he has in the past four years, to maintain such a balance, he weakens his rule. On the other hand, while minority parties which wholeheartedly accept Communist leadership are tolerated in Communist-controlled China, real opposition parties and groups are summarily suppressed as "traitors." If the Communists' charge of Kuomintang intolerance is true, it is also true that the Communists will be still more intolerant if they ever obtain supreme power in China.

Nevertheless, since the Chinese Communists provide individuals, especially the laborers and peasants, with greater economic opportunities than the Kuomintang Nationalists provide, the Communists enjoy wider popular support in the areas held by their own armies than do the Nationalists in their areas of control. This is the Communists' greatest source of strength in China.

d. *Part of International Communist movement.* The Chinese Communist movement is a part of the international Communist movement. Its military strategy, diplomatic orientation, and propaganda policies follow those of the Soviet Union. They are adapted to fit the Chinese environment, but all high policy is derived from international Communist policy which in turn depends on Soviet Russia. Throughout their history the Chinese Communists have loyally supported and followed the policies of Soviet Russia and have accepted the whole content of "Marxism-Leninism-Stalinism."

e. *Desire for U. S. support against Japan and the Kuomintang.* This does not prevent the Chinese Communists from maintaining a friendly attitude toward the United States. Their attitude toward us and all capitalist democracies is conditioned, however, by the extent to which they can obtain benefits from us in the furtherance of their own revolutionary aims: the subjugation of China under Communist rule and the development of a Communist-controlled "capitalist democracy" in China as a preliminary to the introduction of communism. They would use American support to further their struggle against both Japan and the Chungking Government.

f. *De facto independence.* The Chinese Communist movement today is not represented merely by a political party; it is represented by what is a state in all but name, possessing territory (the combined area of which is about the size of France or one-fifth of China Proper), a population of probably more than 70,000,000 people, armies, law, and money of its own. The Chinese Communist state is economically primitive, but (at a primitive level) fairly self-sufficient.

g. *Rivalry with the Kuomintang.*

(1) *Failure of the "Entente Cordiale".* During the period of the Soviet Russian-Kuomintang *Entente Cordiale*, 1923-1927, the Kuomintang and the Chinese Communists cooperated. The Chinese Communists promised to support the revolutionary, nationalist, democratic program of the Kuomintang. They broke this promise. It soon became evident to the Kuomintang leaders that the Chinese Communists, urged on by Soviet Russia, were aspiring to turn the revolution into a class war in order to gain supreme control over China. In 1927 the Kuomintang therefore turned against the Chinese Communists and Soviet Russia.

(2) *Development of the "united front" movement.* The ensuing civil war, 1927-1937, between the armies of the two Chinese parties was accompanied by the bloody excesses characteristic of all class wars. By 1936 the Kuomintang had almost defeated the Chinese Red Army. The latter was saved by the Kuomintang's acceptance of the idea of a "united front" with the Communists in defense of China against Japan. The united front idea had been developed in Moscow. It applied to Communists in all countries and involved cooperation between Communists and non-Communist groups and parties in the capitalist democracies, as a means of safeguarding the Soviet Union against the threat of fascist aggression and of expanding the influence of the Communists in capitalist democracies.

Under the terms of the united front understanding in China, the Chinese Communists pledged themselves, as of 1937, to cease subversive activities against the Government, to abolish their separate government and administration, and to integrate the Chinese Red Army with the Government's Central Army.

(3) *The "war within the war."* The Chinese Communists did not fulfill this promise. Soon after the outbreak of the Sino-Japanese war, the Government assigned to the Communists certain defense zones. The Communists, however, refused to stay within their assigned zones. While the Kuomintang armies in obedience to the Chinese High Command, kept within their assigned defense zones, the Communist armies insisted on being granted entry into any Kuomintang zone that they desired to enter. Whenever the Kuomintang troops refused to admit the Communist troops into their defense sectors and to share with them their exceedingly limited resources they were called "traitors" by the Communists. When the National Government refused to grant the Communists permission to establish in Kuomintang areas their own separate civil administrations, called "united front governments," which flouted the National authority of Chungking and accepted orders only from the Communist capital, Yenan, the Communists accused the Kuomintang of being "anti-democratic" and the

Kuomintang troops of being "experts in dissension." Such tactics inevitably led to clashes with Kuomintang troops. The latter fought in self-defense against both the Communists and the Japanese for the protection of their bases.

Interneine strife led to a general deterioration of the Chinese war situation. After the United States entered the war against Japan both the Communists and the Kuomintang became more interested in their own status vis-a-vis each other than in fighting Japan. The inter-party struggle became of paramount importance. For the Chinese believed that America guaranteed victory against Japan, and the fruits of this victory would obviously go to the party that won out in the Kuomintang-Communist struggle for power.

h. Role in World War II. In spite of this interneine strife, or quasi-war, the Chinese Communists have contributed to the United Nations war against Japan. By organizing extensive guerrilla territories with areas enclosed by the Japanese Army they have prevented the full Japanese exploitation of North China's resources in foodstuffs, raw materials, and manpower. They have also rescued many American pilots who have been forced down in Communist-controlled areas.

Contrary to the widely-advertised reports of their sympathizers, the Chinese Communists have, however, fought the Japanese far less than have the National Government troops. The Generalissimo Chiang Kai-shek, and his followers have yielded ground politically and militarily to the Communists in order to avoid an open break; as a Nationalist, Chiang Kai-shek has been primarily interested in the war against Japan.

i. Military capacity small. The Chinese Communists now claim to have an army of 910,000 troops in addition to local militia forces numbering about 2,000,000 men. However, in October 1944 the strength of the Chinese Communist regular forces was reliably reported as 475,000. The degree to which the increase since October of last year represents an actual increase in fighting capacity depends upon the number of rifles available. Rifles were available for only about 250,000 men in October 1944.

j. The Alternative settlements of the Kuomintang-Communist problem.

(1) *General.* As far as can be seen at present there are three alternatives for a settlement of the internal situation in China: (1) Civil war between the Kuomintang and the Chinese Communists; a "settlement" which would be disastrous for the Chinese people, even though it might ultimately decide the question of which party shall rule; (2) institution of a National Assembly to inaugurate a democratic, constitutional form of government in which all parties find representation; (3) division of China into two (or more) separate parts, these parts to be united in a loose "federation" represented by a "coalition government" of all parties. The decisions of this coalition government would be executed independently by the Chinese Communists and the Kuomintang. The two parties would continue to maintain their separate armies and administrations.

Many observers believe that neither of the latter two alternatives is feasible. Both the Kuomintang and the Chinese Communists aspire to supreme control over China. This being the case some observers believe that civil war is unavoidable.

(2) *Generalissimo sponsors the National Assembly.* Chiang Kai-shek has proposed the National Assembly, which is to convene on 12 November 1945, as the only possible means for a peaceful solution of the Kuomintang-Communist problem and for the re-establishment of unity in China. He insists, however, that no unity can be achieved so long as there are several independent partisan armies in China. He therefore demands that the Communists fulfill their pledge of 1937 to subordinate their army to the National Government. He makes compliance with this demand a prerequisite for any political settlement with the Communists.

(3) *Chinese Communists sponsor idea of coalition government.* The Communist refuse to comply with this demand. They have boycotted the National Assembly and insist that the "coalition government" is the only solution of the inter-party problem in China. The plan for a coalition government might be workable if the Communist would accept a clear demarcation of Kuomintang and Communist areas. But throughout the war the Kuomintang has vainly tried to obtain an agreement with the Communists for a demarcation of defense areas, and there is no indication that the Communists would accept any demarcation of Kuomintang and Communist areas if a coalition government were to be established.

In view of this, the coalition government, were it to be established without the Communists being committed to a specific demarcation of their areas, would only

serve the interests of the Communists in that their present areas would obtain legal status by consent of the Kuomintang and other parties, while leaving the Kuomintang part of the country open to further Communist infiltration through legal or illegal means. Chiang Kai-shek has refused to accept the idea of a coalition government.

(4) *Unity or permanent division of China, the issues at stake.* Here the matter rests (3 July 1945). For the time being it is a question of the National Assembly versus the coalition government. The former provides a chance for unifying China by the agreement of the Chinese armed parties to submit to arbitration and law instead of force. The latter would continue into the post-war period the system of territorial division of China between the Kuomintang and the Chinese Communists and the maintenance of separate party armies. Real unity cannot be achieved on this basis. Each party insists on its own plan.

k. International implications.

(1) *Common policy of U. S. and U. S. S. R.* It is generally believed that a peaceful inter-party settlement in China depends largely upon the extent to which the United States and Soviet Russia can follow a common policy toward China. Were the Soviet Union to decide to give active support to the Chinese Communists, in terms of supplies or military aid, while the United States supports the Chungking Government, the Russians and Americans would be meeting head on.

(2) *Uncertainty concerning Soviet aims in China.* Present relations between Chungking and Moscow are cool. The Soviet press is strongly denouncing the "reactionaries" in the Kuomintang and is openly sponsoring the plan of the Chinese Communists for a coalition government. There are indications that Soviet Russia envisages the establishment of Soviet domination (along somewhat the same lines as in Outer Mongolia and in Eastern Europe), in the areas of North China adjacent to Soviet Russia; that is in Sinkiang, Inner Mongolia, Manchuria, and possibly also the northern provinces of China Proper. A typical statement in this regard is one by a Soviet Russian diplomat in China who emphasized that Soviet Russia is determined that all her border states should be "free from unhealthy combination or linkage with other great powers."

The Chinese Communists' plan for a coalition government would conceivably further this aim in that North China and Manchuria might "legally" become the exclusive spheres of influence of the Chinese Communists and hence come under a regime that would be wholly obedient to Soviet Russia. At the same time the coalition government, which would represent all groups in China, would lend China an outward appearance of unity.

On the other hand, it is conceivable that the Soviet Union will try to improve relations with Chungking on the basis of the re-establishment of a "united front" between the Kuomintang and the Chinese Communists. For it has been Soviet Russia's experience in China that cooperation on a united front between the Kuomintang and the Chinese Communists has always favored the Communists against the Nationalists, no matter what political shading the latter represent, whether reactionary or liberal. By contrast, the Communist cause in China has suffered whenever the Kuomintang has fought the Communists in an all-out civil war. It is possible that this is the explanation for Soviet Russia's apparent willingness to welcome the visit of Dr. T. V. Soong, President of the Executive Yuan and Minister of Foreign Affairs of the Chinese Government. He arrived in Moscow and was received by Stalin on 30 June. An agreement between Moscow and Chungking would have the advantage, for Soviet Russia, of reducing the danger of immediate disagreement between the U. S. S. R. and the United States.

(3) *The U. S. and the situation in China.*

(a) *The post-war peace in the Far East depends on re-establishment of Chinese independence and unity.* The type of peace we shall gain by our victory over Japan depends on our success in aiding the Chinese to regain complete independence and to establish unity. For China is the center of the Far East; political, economic, and military relationships in the Far East have always revolved around China. Russia became one of the leading Far Eastern powers by acquiring vast regions from China. Russia's growth as a Far Eastern power had depended greatly upon its success in extending its influence in China. Similarly, Japan grew to a world power by virtue of her territorial acquisitions in Korea and Manchuria. She grew into a world menace after her vast conquests in China Proper in the 1930's.

The independence and territorial and administrative integrity of China, including Manchuria, have been key points of U. S. policy and interests in the Far East.

During the past eighty-five years Russia, and during the past fifty years Russia and Japan, the two leading military land powers in Asia, have been the chief threats to China's independence. Because of this, a considerable part of the international struggle over China has been centered on creating a balance between these two powers. Two sea powers, Great Britain and the United States, have maintained the balance between the two land powers. America's concern in this contest between Russia and Japan for control in China has been demonstrated several times. The rivalry between Russia and Japan has centered on Manchuria and Korea.

(b) *With the defeat of Japan, Soviet Russia will emerge as the sole military land power in Asia.* Necessary as is the defeat of Japan to the re-establishment of peace in the Pacific, the fact remains that her defeat will upset the whole structure of the international balance of power in the Far East which was developed in the decades before 1931. Deprived of her empire in China, and with her cities and industries smashed to pieces, Japan will be back where she started at the dawn of her modern era; a group of relatively worthless islands, populated by fishermen, primitive farmers, and innocuous warriors. The clock will be turned back some eighty years, to the time when the rivalry between Russia and the Western democracies in China began. With the total defeat of Japan, Russia will again emerge as the sole military land power of any account in Asia. But she will be vastly stronger than at any time in the past.

(c) *Prevention of a repetition of the "Polish situation" in Manchuria and Korea is essential to post-war stability in the Far East.* The problem of post-war peace in the Far East revolves, in so far as the United States is concerned, around two major questions: (1) How can the military-political vacuum in the Far East be filled following the defeat of Japan? (2) How can the United States promote internal unity in China?

The answer to both questions is vitally affected by the action of Soviet Russia, and by the arrangements in regard to the Far East that we can make with Soviet Russia. If it be assumed that Soviet Russia will join in the war against Japan, the solution of these questions will be greatly affected by the extent to which we can prevent the division of China along the same lines as Europe into an American-British and a Soviet zone of military operations. For the elements of uncertainty as to Soviet Russia's intentions in China and in regard to the Chinese Communists are very similar to those in regard to Eastern Europe during 1943 and 1944. Many of the fears and speculations current at that time, to the effect that Soviet Russia intended to develop Eastern Europe as an exclusive Soviet sphere of influence, have proved to be right. There is justification for similar fears in regard to North China, Manchuria, and Korea. Just as Soviet Russia's plans in Eastern Europe have been favored by the absence of American and British forces in these areas, so also would Soviet Russia, if she does plan to create a Soviet sphere of influence in North China, Manchuria and Korea, find herself in a most favorable position if these areas were assigned to her exclusively or even predominantly as a zone of military operations against Japan.

On the other hand, if American forces cooperate on equal terms with Soviet Russia, Chinese, and British forces in the reconquest and occupation of North China, Manchuria, and Korea, a peace settlement in complete accord with the terms of the Cairo declaration of 1 December 1943 can much more readily be achieved. For it is clear that if the war were to end with us in control of Japan, and with Chungking-Chinese, American, and British forces in control of Central and South China, while Soviet Russian and Chinese Communist forces held the controlling power in Manchuria and Korea, a peace settlement in regard to these areas might entail a considerable compromise of the terms of the Cairo declaration. In that case, the plan of the Chinese Communists for a "coalition government" might well be the only feasible way of settling the situation in China; North China and probably also Manchuria and Korea would come under the control of native Communists dependent upon Soviet Russian support, and in these areas there would be established the now typical "united front" or "democratic" coalition administrations in which the Communists hold the dominant power. Deprived of the vast raw material resources of North China and Manchuria the present National Government of China would find itself unable to compete with the Communists in the North and to establish a strong and stable state. For this reason it is necessary, for the maintenance of peace in the Far East and for the long range interests of the United States, that the Cairo Declaration be implemented without modification.

FOR THE ASSISTANT CHIEF OF STAFF, G-2:

P. E. PEABODY
Brigadier General, GSC
Chief, Military Intelligence Service

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General Willoughby, formerly General MacArthur's intelligence chief in the Far East testified before Senate and House committees, as outlined in the Department of Defense revelations about the Soviet spy ring headed by Richard Sorge. He may know more of the Peabody report. Similar testimony given by former Soviet intelligence officers before the Senate Internal Security Committee and the House Committee on Un-American Activities may be found to fit into both the Peabody report conclusions and the joint-aid activities of top Soviet and Red Chinese officials.

International communism has consistently sought to undermine the United States, as the "heart of the capitalist world." The attack in this country took form almost on the heels of the Bolshevik overthrow of the Czarist regime at the end of World War I. With that attack there was concentration on infiltration of Central and South America in which the United States has consistently been pictured as "the Colossus of the North," aiming always at domination of all of Latin America. Our freeing of Cuba from the Spaniards, followed by the establishment of the independence of the Philippine Republic have neutralized this Communist offensive to some extent, but it is still alive, vibrant, and to some degree effective. It is aimed basically at pro-Communist organization of unskilled labor, attacks on "foreign capitalists," revolutionary action to overthrow existing governments in Latin America, and an incessant reiteration that the protective Monroe Doctrine has been merely a cloak for "creeping capitalist imperialism and fascism."

The anti-Communist revelations by congressional committees are too well known, too well documented, and too clearly understood to need reiteration here.

It is pertinent, however, in consideration of Senate Resolution 247 and its purpose, to trace major incidents in a sequence of more than a quarter of a century to show that recognition of the Soviet should never have been granted. It is germane to recall the bitter fight against that recognition, and lay where it belongs the responsibility for the cumulative sabotage, espionage, and seditious operations of world communism in this hemisphere.

The real beginning of what is now called communism in the United States came subsequent to the October revolution in Czarist Russia in 1905, when an abortive effort to establish a worker's government along lines promulgated by Marx and Engels failed. Considerable numbers of the participants in, or sympathizers with that effort fled from Russia and made their way to the United States.

These radicals became active in language groups, and in such radical labor groups as the IWW, and the radical political groups then generally described as "Socialists." As in Europe, radicals in the United States had two lines of thought—both aimed at eventual control of government. In substance the Socialists favored use of parliamentary means to achieve their aims. The Left

Wing Socialists who later became the corps of the Communist Party favored direct action, violence, to take over government control.

Leon Trotsky, then in the United States was in the direct action group, as was Nicolai Lenin, then finding political refuge in Switzerland.

World War I found Socialists, generally, favoring a boycott of war.

In 1915 a conference at Zimmerwald, Switzerland, was called to make the war boycott international. Enough of the delegates refused to follow that demand—insisting on national support of governments by each government's Socialists—to wreck the Trotsky proposal at that time, and open the better light between today's Socialists and the Third International.

Subsequently the German General Staff conceived the plan of wrecking the Russian war effort by inciting revolution in Russia. Trotsky left the United States, and with Lenin and some of the other Red leaders, was smuggled into Russia, from Switzerland. Military and economic disintegration followed to the extent of forcing the Czar's abdication and the Russian separate peace with Germany.

The plan came too late, however, to prevent German failure in the west and Allied victory came on November 11, 1918, with the armistice.

In Russia the democratic government initially set up by Kerensky was shortly overcome by the Bolsheviks—and communism had a national base from which to work toward domination of the world.

The Trotsky-Lenin capture of the Russian Government apparatus spurred communism throughout the world.

A bibliography of the Communist Third International drive in the United States will be found in these documents—all a matter of public record, but all practically forgotten in the deluge of investigations of communism that dealt with little facets of the big Red program:

(1) Senate Document No. 62 of the 1st session of the 66th Congress: (1919) covering hearings of the Judiciary subcommittee of the Senate under Senate resolutions 307 and 309.

(2) Hearings of the Overman subcommittee of the Senate Committee on Foreign Relations, in January, 1920, under authority of Senate Resolution 263 (66th Cong.).

(3) The voluminous New York legislative hearings beginning in April 1920, generally referred to as the Lusk committee reports (4 volumes of 1,000 pages each).

(4) The Senate Foreign Relations Subcommittee hearings in January, 1924, during the 68th Congress, under authority of Senate Resolution 50.

(5) The Fish committee (House of Representative) in 1930, held in cities throughout the Nation, confirming the findings of the earlier Senate committees and bringing them up to date.

Most of these documents are found only in committee or Library of Congress files. The Dies committee, the Un-American Activities Committee, the Senate Internal Security Subcommittee hearings, and the investigations of this committee are all current and can be examined by any student of the Third International's plan for world conquest who will take the time and trouble to read them.

Senate Document 14, presented to the first session of the 68th Congress by the late Senator Lodge of Massachusetts—grandfather of our present United States Ambassador to the United Nations—tells how the Third International, in Moscow, sent delegates to a conference of radicals on Overlook Mountain, near Woodstock, N. Y., on May 15, 1921. Jaker Davidovich Janson arranged that meeting. He had been head of Lenin's Pan-American Bureau, in charge of the Red activities in the entire Western Hemisphere, under the alias of Charles E. Scott. He had taken part in the Bolshevik revolution, and in China for the Soviet, before coming to America.

Janson, or Scott, had complete authority from Lenin to break the deadlock between the factions of American Communists and to make final decisions about the future of the party. Janson told the 70 delegates to the Overlook Mountain conference:

1. The Communist Party of America would be an underground, or illegal, party, through which the international Communist organization would give its orders, formulation of policies, and direction of programs.

2. An "open" or "legal" party would be formed to carry out the orders of the underground party, to agitate for the ordered programs, propagandize for manpower membership in the labor unions. (The subsequently formed Workers Party was given that role.)

3. Key positions in the open party were to be held by members of the underground party, and in any front organizations a sufficient number of underground party members were to be placed to give control.

4. All funds were to be controlled by the underground party.

5. No meeting or convention of the open party might be held unless agenda and procedure had previously been approved at a meeting of the underground party.

6. Delegates were told to return to their organizations and make it clear that supreme control in the United States would be the Communist Party of America—the underground—and that the CPA would always be designated as a section of the Third International.

7. A convention of the same delegates would be held late in the summer of that same year to get the reports of the organizations on acceptance or refusal.

When that meeting on Overlook Mountain closed, Robert Minor, on May 29, 1921, was directed to go to Moscow and notify Lenin that Communist unity in America had been achieved.

It was recorded in the minutes of that meeting that Moscow communism had appropriated \$135,000 for the unity project, and that \$25,000 had been allotted to the two American factions to carry out the unification plans.

Subsequently, when the Workers Party was formed in New York, nine members of the Communist Party of America became its executive committee.

These executive committee members were: Jay Lovestone (alias Zack Wheat), Earl Browder (alias Ward and alias Dixon), James P. Cannon (alias Cooky), Ludwig Lore (alias Young), Robert Minor (alias Ballister), A. Bittelman (alias Raphael), Alexander Trachtenberg, William W. Weinstein (alias Lewis) and C. E. Ruthenburg (alias Damon).

Lovestone's testimony is printed in volume II of the Dies committee hearings in 1939, and is referred to in appendix I of that committee, issued in 1940; the hearings on Gerhart Eisler in 1947; the hearings on Leon Josephson and Samuel Liptzen in 1947; House Report 209, issued in 1947; House Report No. 1, 1941; House Report No. 1920, of 1948; the labor union hearings of August 9 to 11, 1949; the hearings covering professional groups in the Los Angeles area (January and April 1952) and House Report 1229, issued January 8, 1952. Lovestone is currently connected with a committee of the American Federation of Labor.

In preparation for the illegal party convention to be held later that summer, international communism, in Moscow, prepared the specific instruction sheets. The date was later moved forward to August 17 to 22, 1922, with Bridgeman, Mich., fixed as the supersecret meeting place.

Boris Reinstein and A. S. Lozofsky, the international Communist delegates—using the aliases "Davidson" and "Brooks"—laid down the Lenin directions, covered in 21 specific points.

Specific programs were organization of small farmers; incitement of American Negroes to rebellion; building up of a youth and educational movement to draw young people to communism; particular efforts to infiltrate unions of miners, railroad brotherhoods, maritime and docks; steel; foodpacking; communications; Federal, State, and local government workers; textile trades and clothing workers.

Federal agencies had learned of the Bridgeman conference, raided the meeting after the minutes had been completed, arrested the leaders and confiscated more than three barrels filled with documents.

In the Overman hearings there is documentation of the German financing of the Bolshevik revolution which overthrew the Czar. The Overman hearings had originally been authorized to investigate both Imperial German and Bolshevik propaganda plans. A meeting in the Ford Theater, Washington, provided the first clues—leading to the Overlook Mountain meeting and then to the Bridgeman meeting.

The investigations led, too, to the activities in this country of Ludwig C. A. K. Martens unofficial Soviet ambassador to this country. Martens sought to obtain formal recognition of the Bolshevik government by the United States, and Senator William E. Borah introduced a resolution providing for that recognition.

By 1924 Secretary of State Charles Evans Hughes had compiled a tremendous file dealing with the question of Russian recognition.

When the Borah recognition resolution (S. Res. 50, of the 68th Cong.) was referred to the Foreign Relations Committee a subcommittee with Senator Borah as chairman and Senators Lenroot, Pepper, and Swanson as members, held exhaustive hearings, beginning in January 1925. At these hearings the State Department files were put into the formal record. Testimony before the commit-

tee included that of J. Edgar Hoover, of the FBI, in executive session, and a half dozen experts from the State Department Far Eastern Division. As a result of the testimony submitted to the subcommittee, the full committee membership reported against Russian recognition.

Robert F. Kelley and A. W. Kliefoth were the State Department experts who documented the case against recognition at that time.

For 9 years after the defeat of the Borah resolution, recognition of the Soviet Communist Government was blocked.

After the election of Franklin D. Roosevelt as President, the drive for recognition of the Soviet, carefully propagandized for months before, burst out with new vehemence. Evidence had been adduced that a general strike, to start on the west coast among the longshoremen and then to spread through steel, railroad, communications, food distribution and other unions was planned by American Communists and their supporters. Shifting of United States Federal investigators to the west-coast area brought cancellation of those plans in less than a week.

In November 1933, as part of the program to achieve recognition, the Soviet Government, in writing, pledged:

1. To respect scrupulously the indisputable right of the United States to order its own life within its own jurisdiction in its own way and to refrain from interfering in any manner in the internal affairs of the United States, its Territories or possessions.

2. To refrain, and to restrain all persons in Government service and all organizations of the Government or under its direct or indirect control, including organizations in receipt of financial assistance from it, from any act overt or covert, liable in any way whatsoever to injure the tranquillity, prosperity, order, or security of the whole or any part of the United States, its Territories or possessions, and, in particular, from any act tending to incite or encourage armed intervention, or any agitation or propaganda having as an aim the violation of the territorial integrity of the United States, its Territories or possessions, or the bringing about by force of a change in the political or social order of the whole or any part of the United States, its Territories or possessions.

3. Not to permit the formation or residence on its territory of any organization or group—and to prevent the activity on its territory of any organization or group, or representatives or officials of any organization or group—which makes claim to be the government of or makes attempt on the territorial integrity of the United States, its Territories or its possessions, and not to form, subsidize, support, or permit on its territory military organizations of groups having the aim of armed struggle against the United States, its Territories or possessions, and to prevent recruiting on behalf of such organizations or groups.

4. Not to permit the formation or residence on its territory of any organization or group—and to prevent the activity on its territory of any organization or group—which has as an aim the overthrow or the preparation for the overthrow of, or by bringing about by force of a change in the political or social order of the whole or any part of the United States, its Territories or possessions.

That day the President of the United States accepted the pledge, as signed by Maxim Litvinoff, who was the People's Commissar for Foreign Affairs of the Soviet Government. Diplomatic relations were established between the Governments of the two countries.

Yet Litvinoff, preparing 96 hours later to leave for Moscow, was quoted in the Daily Worker, official publication of the Communist Party in the United States—a formal Soviet agency which would dare not misquote a Soviet official—as stating: "The Third International is not mentioned in this document. You must not read into it more than was intended."

In other words Litvinoff pledged the Soviet not to interfere in the internal affairs of the United States. But he specifically pointed out that the Third International, of which the Communist Party of the United States is a part, had not agreed to respect the territorial integrity of the United States or to be bound by the document he signed, and upon which Roosevelt approved recognition.

Robert F. Kelley, of the State Department Division of Eastern European Affairs, had given the Secretary of State, who handed it to Roosevelt on July 27, 1933, a memorandum which said flatly:

"* * * The experience of countries which have extended recognition to the Soviet Government has shown pretty conclusively, it is believed, that there are serious obstacles in the way of establishment of relations on such a basis, and that as long as these obstacles remain, official relations, established as a result of recognition, tend to become, in view of the extraordinary nature of these obstacles, the source of friction and ill will rather than a mainspring of cooperation and good will * * *."

"The fundamental obstacle in the way of establishment with Russia of the relations usual between nations in diplomatic intercourse is the world revolutionary aims and the practices of the rulers of that country * * *."

The State Department pointed out to the President the Russian repudiation of \$192 million of Russian obligations held by the United States; \$86 million in Russian obligations held by citizens of the United States and repudiated by Russia; and finally the confiscation of \$330 million worth of property rights and interests of American citizens in Russia.

September 21, 1933, Secretary of State Cordell Hull wrote to the President a note which included this statement:

"More important still the present regime in Russia has been unwilling, up to this time, to discontinue its interference in the internal affairs of the United States."

William C. Bullitt, Special Assistant to Secretary Hull and later Ambassador to Russia warned the President against recognition on October 4, 1933.

Litvinoff obviously signed the "no interference" agreement with his tongue in his cheek. He subsequently insisted that the Comintern was not part of the Soviet Government and not under the control of that Government. Yet the story of the Comintern, later renamed the Cominform, but always headquartered in Moscow, has been documented time after time by investigations of American Government agencies.

The State Department publication Foreign Relations of the United States—the Soviet Union, 1933–39 details the story of how, from 1933 to 1939 American Ambassadors in Russia reported breaches of promise by the Soviet, on the Litvinoff document and dozens of others.

The Canadian Royal Commission report, dealing with Soviet espionage and propaganda in that country during World War II and after, shows that the Communist plan to rule the world is not directed against the United States alone on this continent.

The FBI report on Soviet espionage before World War II, during World War II and after World War II up to November 1945, has been revealed in part before Senate committee hearings as the Harry Dexter White and other spy hearings have been publicized.

Political Affairs published in this country for many years under the frank declaration that it is a magazine devoted to the theory and practice of Marxism-Leninism is a recurrent monthly recording of the International Communist Party line as dictated by Moscow and the Third International. It cites instance after instance of international meetings held in Moscow of International Communist delegates from many countries, and gives instance after instance of violent propaganda against the United States. Other recordings in Political Affairs tell of Communist meetings in Soviet satellite states, replete with diatribes against the United States.

To bring the situation completely up to date I would like to put into the record some excerpts from radio broadcasts emanating from Soviet soil, seeking to undermine, not only the United States in its world relations, but in its domestic affairs. These Soviet actions and statements are just a few, from an incessant drumbeat of hate against this country.

Tibet has for ages been free. It is rich in minerals, thinly populated, and strategically looks down the throat of India. A Red Chinese Army of Liberation marched in, using a conflict between the Lamas as an excuse, and "freed" Tibet.

One of the first foreign groups to follow the Red Chinese Army was a "sky train" containing Soviet geologists, who began an immediate mineralogical survey which reportedly has located vast resources of minerals of highest strategic value.

That act—in the Soviet press and radio field—was liberation.

The United States defense of South Korea, as agent of the United Nations, has persistently been labeled "imperialism" and "aggression" by the Soviet and its puppet states.

Ho Chi Minh, leader of the Communist faction in Indochina, has had his first successes of any magnitude since the Korean truce permitted the release of arms, ammunition, and transport to the Vietnam South China border, and their movement to the Ho Chi Minh forces. French intelligence reports state unequivocally that the column of 20,000 fresh troops which led the final assault on Dien Bien Phu were Red Chinese, directed by Soviet advisers.

The Hukbalahap banditry in the Philippines, only recently liquidated by the surrender of Louis Taruc and his lieutenants, has been proved to have been Communist aided during its last 6 years.

Communist agitators are the hard core of the anti-West Government of Indonesia.

Communists have the rebels in Malaya.

Communists constantly seek overturn of the Thailand Government.

In Indochina the United States gave aid only when it was clearly established that Red Chinese were the prop holding up the Ho Chi Minh civil war.

In the Philippines the Communist cry of United States imperialism has to face up with the historical facts that the United States freed the Philippines from Spain, provided a Commonwealth form of government until the Philippines was stabilized and then withdrew all controls over the new "showcase of freedom" in the Pacific.

The United States has meticulously left Indonesia to the Dutch and to the United Nations.

Communism in Malaya has been strictly a problem of the British.

South Korea is, and has been a free government since the North Koreans and their Soviet-backed Red Chinese Allies were tossed back to the line from which their aggression began. The United States position in Korea, is that the Koreans must stay free—as we have pledged defense of that freedom.

Japan, by the Pearl Harbor attack, forced the United States into World War II. Yet the United States has freed Japan, is backing Japan in maintaining her newly reacquired national integrity, and is pledged to help Japan remain free.

Against these facts on the record *Investia*—official Soviet paper—under a heading "United States Plotting Aggression All Over Asia," included this paragraph:

"All this feverish activity for the creating of new military blocs and bases once more exposes the falsehood of American propaganda which is trying to whitewash the United States foreign policy with chatter of defense and so forth. The peoples of Asia see that United States plans are directed primarily toward the preservation of colonial slavery by any available means toward the enslavement of peoples who are trying to attain national freedom and independence, toward the transformation of the Asiatic countries into place d'armes and their population into cannon fodder for the war that is being prepared against the peaceloving peoples."

The record of Soviet veto action in the United Nations, preaching of peace while building for war, recurrent charges of Western espionage during the entire time from 1919 to date when Soviet spies worked in the United States, Canada, and dozens of other countries with which the Soviet was technically at peace, is a record of deceit, broken promises, and barbaric disregard of every concept of diplomatic relationship between nations.

Senate Resolution 247, for the first time since Soviet recognition in 1933—a recognition cynically labeled a fraud by the Soviet representative who signed it within 96 hours of the time he put his pen to the official paper—calls for a diplomatic statement by the United States.

The language of the resolution calls for a formalization of the statement of charges against the Soviet Communist Government. It calls for official recognition of espionage, seditious propaganda, and sabotage that have been written into history of this and other countries since the Bolshevik revolution.

Senate Resolution 247 is strictly within the rights of the Senate of the United States in calling for severance of diplomatic relations with the Soviet and its satellites as a result of the documented proof of the Soviet's repeated, recurrent, and continuous misuse of the diplomatic courtesies granted through an Ambassador and an Embassy, consuls, and consular offices; commercial and trade representatives, and commercial and trade commissions.

Senate Resolution 247 calls for a call of all free nations to an international conference to pool data and information; to determine ways and means to end the fifth-column methods of communism, and finally to resist further aggression by international communism aimed at the destruction of all free forms of government, and the incorporation of all such governments in a Soviet world directed from Moscow.

As an American citizen, twice called to war in defense of these United States, I do not see how any other citizen, believing in the constitution definition of the Republic given us by the Founding Fathers, can fail to support the resolution.

Thank you, gentlemen, for the opportunity to appear before you.

Mr. ARENS. Now, Mr. Hunter, if you will kindly proceed.

Mr. HUNTER. In both newspaper and military factfinding assignments that I have had I have studied the subversive movements, communism, fascism, and the others, over a period of 35 years. It goes back to the Lusk reports of the New York Legislature in 1922 and 1924, at which time the Communist Party really had its start

in the United States as an outgrowth of the IWW and the previous radical organizations. It was at that point in 1922 in Overlook Mountain, N. Y., that the radical movement in the United States was first told by direct Moscow representation that they had to operate as a section of the Third International, which was the world Communist movement.

I have taken that as the base from which the Communist movement started in the United States and then gone back to study the reason why Russia, as used to be known, became the center of the Communist movement, and where that interlocks and interlinks with this country, with the Marx-Engels manifesto, then into the Socialist movement, and currently to that Overlook Mountain picture where it began in this country.

In going back into the history of Russia you will find that as far back as 1251 the Communists were not known and Russia itself was a little space about the area of the State of Connecticut, perhaps a little larger.

The CHAIRMAN. Let the record show that Senator Johnston is present.

Mr. HUNTER. From 1251 to 1951, a period of 700 years, according to a map that was prepared by research people of the Library of Congress, the Communists have always expanded on the perimeter. They would always take contiguous land territory so never to be cut off by sea or other open spaces from their center of communications.

The map that we have of the Eastern Hemisphere shows, first of all, that little area from which they started. Then by 1939 they had expanded to this red line [indicating]. From 1939 to 1954, they had moved over into the satellite states.

The CHAIRMAN. Is that indicated by the black line?

Mr. HUNTER. By the black line. Of course, by taking over China at large, Outer Mongolia, Manchuria, Tibet, and of particular danger to Japan, the south half of the Sakhalin Island, and Kurile Islands, which brings them within a matter of 8 or 10 miles of northern Japan itself, on that basis of expansion, always on the perimeter, the reasonable belief would be, based on their previous pattern, that their expansion will continue to be on the perimeter wherever they are able to make it, which would be into the terrifically rich mineral resource and population-congested centers of southeast Asia where we are now very deeply involved in Indochina; could come on down, as the Japanese did, to Singapore, and Malaya, and from that point into Indonesia. It could move from Tibet through the passes of the Himalaya Mountains as no one else ever could do before and look directly down into India.

In the European sector, the critical and vital points are, of course, Gibraltar, between Spain and Spanish Morocco—the entrance to the Mediterranean—and the outlet from the Mediterranean through Suez, where we have the current unrest in Egypt. To lose either Spain or Morocco would close the western gate of the Mediterranean. To lose the Suez Canal, either through Red control of a portion of Saudi Arabia or a Soviet drive south on the east border of Turkey, would close the eastern end.

Without it you could not send supplies and men through from the West to the defense of Australia or south, nor could you get raw materials from southeast Asia from which many of our most important

materials, such as tin, and rubber, and many of the metals come, except by the long route around South Africa.

Mr. ARENS. Mr. Hunter, may I just interject this question? You have just in the course of the last several months returned from a sojourn abroad on a confidential mission, have you not, which took you into Africa and into these areas?

Mr. HUNTER. I do not know how confidential you would call it. I was one of a group of correspondents who went on an Air Corps trip which was intended to show the capability of our medium bomber, the B-47, based on Africa and given added range by a refueling process. It was demonstrated on that trip that our medium bombers, based in Africa and refueled in midair over friendly territory could protect ground forces in Europe and penetrate into Soviet territory to a depth which would cover practically any spot within Soviet Russia itself.

The CHAIRMAN. When were you on this mission?

Mr. HUNTER. February 12 to 22, around about that period of time. We went to all of the bases for which we have paid something like half a billion dollars in Africa. North Africa that is. We found that those five bases are protected under the agreement with the French by ground forces not to exceed 7,500 men.

The CHAIRMAN. That is our limitation?

Mr. HUNTER. Permanent ground forces. We do have and can rotate for training purposes up to 60 or 90 days as much as a wing or more air force, but our permanent forces, as was explained to me in Africa, are based on that limitation of 7,500 men. That is set by the French. We do not own the bases. We put in the installations. The French own them. They can on demand take them back as I understand, when and if they see fit. At the time we were there, Gen. Auguste Guillaume, who is the Resident—

The CHAIRMAN. Resident of what?

Mr. HUNTER. Resident-General of Morocco for the French. He made it very clear that while he had fought against the landing forces of the United States when we first went into Africa in World War II, within a matter of 3 days, I think he said, he was very friendly with General Patton, and from that point on has been for the West.

The CHAIRMAN. Will you spell General Guillaume's name for the reporter?

Mr. HUNTER. G-u-i-l-l-a-u-m-e and A-u-g-u-s-t-e. As perhaps of today, or certainly within a very few days of the 1st of June, General Guillaume is to be relieved and a career diplomat, La Coste, is to replace him.

To make a little clearer that picture in Morocco, from about 1914 or 1915, or 1912, I believe Youssef was the Sultan and he became, if not closely allied, certainly in sympathy, by his public utterances, with a radical movement in Morocco. It was among the Arabs, and of course all of the Arab groups are by religion bitterly anti-Communist, but those of them in the big concentrations of cities, like Casa Blanca, Rabat, and Dakar, were deeply infiltrated by certain radical movements. Whether you would call them Communists or not, I do not know. They were certainly in parallel with the Communists and Youssef was very much on their side.

Senator JOHNSTON. There was a lot of anti-Americanism, too, was there not?

Mr. HUNTER. They were very much pro-Nazi and on that ground very much against our being in Africa, very much against the West being in Africa, and very much against anyone being in Africa except the Arabs along the North Shore.

Senator JOHNSON. A little over a year ago I visited that same territory. I do not want to interrupt you.

Mr. HUNTER. General Guillaume went to Morocco in 1951 and found that there had been an effort by General Juin, who very recently had his run-in with the French handling of Indochina—I believe over the French Far East policy—to depose the then Sultan. General Juin had favored the disposing of the Sultan, Youssef, but it was not permitted to take place at that time.

Then, El Glaoui, who is the 80-year-old Pasha of Marrakesh and has supposedly more money than the rest of Morocco put together, and claims the ability to call 300,000 desert riflemen whenever he needs them, demanded that Youssef be deposed. He said that Youssef was a representative of the leftwing elements, that he did not represent Morocco, and demanded that he get out.

The Sultan did make an effort to rally the tribesmen and be backed by them. He was not backed by the tribesmen. El Glaoui, who is the strong man apparently of Morocco, went with the French to the point of getting rid of Youssef. The French Government deposed him, and exiled him to Corsica.

An uncle of the deposed Sultan, Arafo, who was the brother of the previous Sultan, was named with the backing of El Glaoui, and the French Government, to become the Sultan.

A week before we were there an effort was made to assassinate the new Sultan, Arafo. A week after we left a hand grenade was thrown at El Glaoui, but as long as General Guillaume was there, there apparently was no question of where the Moroccan French would be.

It will be an interesting situation, in my opinion, at least, to see what position is taken by the replacement in Morocco, by the career diplomat, in place of the long-established soldier.

Mr. AREUS. Mr. Hunter, what is the significance of the red areas there, particularly in Africa, which appear on the map of the Eastern Hemisphere?

Mr. HUNTER. I cannot talk to you from personal experience as to what has happened by being in these areas in Africa, but over a period since 1946 various records, that are available to the committee, have brought out the fact that there have been definite insurrective radical troublemaking movements in Africa, that African officials charge are directly traceable to Communist provocation through agents.

Taking some of them, the Egyptian movement which threatens Suez has been known ever since the Wafds in those areas went into the movement to have the British out of Africa. As long ago as 1941 or 1942 the then Russian consul, in Algiers said that he was not in favor of encouraging openly any Communist movement in Algiers because at any time if France should become Communist, they would much prefer an Algiers that had not been taken over by any other group.

There have been riots in Tunis. One report has been that in Eritrea the Communist groups told the chief of the El Tigre Province that if he saw fit to go with the revolutionary Red movement, he would be

made the king or the prince of Eritrea. From Addis Ababa, I have seen reports that the Soviet personnel in Addis Ababa is in excess of their Embassy in Paris. They have a greater number of people.

Mr. ARENS. You have in your statement here the names of the people who are the key espionage organizing agents of Moscow in Africa.

Mr. HUNTER. That is right.

Mr. ARENS. I see that appears on page 30.

Mr. HUNTER. Yes, sir. The list of that African group comes to me from a source that I will be very glad to give to the committee although I prefer to do it in executive session.

The CHAIRMAN. All right.

Mr. HUNTER. It gives the Director, S. P. Koziarev, a Russian. The committee supposedly is working out of Moscow and not in Africa. There is also the Deputy, Col. Beck Dumbadze, a Russian; Chief of Operations, Lt. Col. Harald Nuut, a Russian; First Deputy, E. F. Podvigin, a Russian; Second Deputy, Maj. V. I. Strashev, a Russian; Staff Officers, V. Kumanev, a Bulgarian, and V. Bank, a Russian; Liaison Officer with Arab League, A. I. Chikov, a Russian; Director, North and West African Department, J. A. Klimentov, a Russian; First Deputy, A. N. Erophin, a Russian; Second Deputy, E. Kallos, Hungarian; Liaison Officer with Mogreb Liberation Committee, V. Kozarev, a Russian; Director of the East Africa and Abyssinia Department, V. A. Kiriev, a Russian; Director, Sudan Department, Y. Iakhim, a Czech; and Deputy, Y. Siedliaczek, probably a Czech. The resident agents in the Sudan were stationed at Khartoum, Abu-Hamad, Omdurman, Port Suday, and Atbara. It gives the name of a courier who supposedly carried the material from these people to the Russians.

Mr. ARENS. Mr. Hunter, to what extent does the Soviet acquisition of these areas which have been drawn into their orbit since the end of World War II affect the stockpiling in the United States and the acquisition and maintenance in the United States of strategic and critical material?

Mr. HUNTER. At West Point, of which I am not a graduate, the Department of Social Science publishes studies from time to time on raw materials in war and peace. They divide these materials into four groups, the most important of which is group A, and that is defined as a group for which a satisfactory means of insuring adequate supply for future emergency can be accomplished only by stockpiling. As of 1946, after World War II, when we found that we were practically a have-not nation in most of our strategic materials, there were some 63 or 65 of these strategic materials in the short-supply group.

A great many of them come from the area which would go if the Russians took Southeast Asia and from that into Indonesia. I have the list of them if you want them in the record. There are about 63. I can read them.

Mr. ARENS. They are in the record.

Mr. HUNTER. No, they are not in the record.

The CHAIRMAN. Do not take the time to read them. We will just incorporate them and make them a part of the record and save some time.

(The list referred to follows:)

Agar, antimony, Rhodesian chrysotile, South African amosite, bauxite, beryllium, bismuth, cadmium, castor oil, celestite, metallurgical and refractory grades of chromite, cobalt, coconut oil, columbite, manila fiber, sisal, corundum, industrial diamonds, emetine, amorphous lump graphite, flake graphite hyoscyne, iodine, jewel bearings, kapok, Indian kyanite, lead, manganese ore, mercury, muscovite block mica, muscovite splittings, and phlogopite splittings, monasite, nickel, opium, palm oil, pepper, platinum metals (platinum, irridium) pyrethrum, quartz crystals, quebracho, quinidine, quinine, rapeseed oil, crude rubber, natural latex, rutile, sapphire and ruby, shellac, sperm oil, talc (stealite block) tantalite, tin, tung oil, tungsten, uranium, vanadium, zinc, zirconium ores.

This list of more than 10 items show in the production lists of Red China, Czechoslovakia, East Germany, Hungary, North Korea, Poland, Rumania, Ruthenia, Tibet, and Yugoslavia, 10 countries out of 18.

Question: Does this 1946 strategic material list still hold?

Answer: Current stockpiling requirements, of course, are classified.

Mr. ARENS. May I invite your attention to the general subject of the Russian trade offensive to implement the acquisition of materiel which the Soviet Union has acquired by actual outright acquisition of adjacent territory? Do you have information in your statement respecting the worldwide trade offensive of the Russians?

Mr. HUNTER. Yes.

Mr. ARENS. In addition to the outright acquisitions which they have been able to maintain because of taking over adjacent territory.

Mr. HUNTER. An intelligence agency with which the committee is undoubtedly familiar maintains a day-to-day check on the broadcasts of foreign governments in which the actions of the governments are more or less brought out from their point of view, and since January of this year, the broadcasts have specified and emphasized the efforts of the Russians to bring into trade relationships, with either the Soviet or the satellites these countries that are on the fringe and even Africa and the areas from which we get most of our raw materials, at least 28 or 38 of them, and from which Europe gets all of its industrial potential.

That lists Afghanistan, Argentina, Australia, Belgium, Bolivia, Britain, British Borneo, Burma, Ceylon, Chile, Cuba, Denmark, Egypt, Finland, France, Greece, Iceland, India, Indonesia, Israel, Italy, Japan, Lebanon, Malay, Nepal, The Netherlands, Norway, Pakistan, Philippines, Sweden, Syria, Thailand, Turkey, Uruguay as those to which overtures have been made from the Russians to send trade delegations and to receive trade delegations to enter into agreements by which trade would be established between those people.

Mr. ARENS. If the Russians are successful in the trade offensive to work out trade agreements for the exchange of material from behind the Iron Curtain with the countries which are currently free, what in your judgment would be the net result from the standpoint of the interest of the United States of America?

Mr. HUNTER. Whenever a Russian or a trade delegation or formal organization of any kind goes into a country—I think it was demonstrated in this country very fully by the operations of Amtorg, and that has been sworn to in congressional hearings—every delegation that goes in from Russia contains some element of the Soviet espionage service. They acquire military, industrial, and economic data. They are able to propagandize and to get their particular arguments in favor of the Soviet before the American people.

A secondary setup is that they can and do siphon away from the United States these particularly strategic and necessary items that we need for defense, as outlined by the stockpiling program recently brought out in some considerable detail by Senator Malone's committee that have produced 4 volumes so far and have 4 more coming. Wherever a Communist or Soviet group can establish themselves in an area, that area becomes a small cancer to spread with their propaganda and dissemination of espionage, sabotage, propaganda, and the rest of their motivations.

Mr. ARENS. Aside from that what is the threat, if any, from the standpoint of economic strangulation control of world markets by the Soviets?

Mr. HUNTER. Europe, an industrial and fabricating area, cannot produce without the raw materials from Africa. The United States cannot produce the various war materials without raw materials from Africa and from South America. Whenever the Soviet can divert from industrial Europe or industrial United States the necessary products for our industrial production, they hamstring us just to the extent of what they can take away.

Trade with the Soviet is a weapon just as much as a tank, or a bomber, or a fifth column.

Mr. ARENS. What is the significance from a military standpoint of north Africa and of Spain to the protection of the West?

Mr. HUNTER. Spain and Franco have been a target of Soviet attack since 1936 and 1937 when Franco moved in to overthrow a Communist government which had been set up in Spain. Subsequently, it will be recalled, international brigades were formed all over the world, practically, by the Soviet Third International to go in to fight against Franco. The Abraham Lincoln Brigade was one of those which was formed in this country and which did go to Spain and did fight. It has since been indentified by the Attorney General and I think has been investigated by the Subversive Activities Control Board, as a distinct Communist operation.

Franco found that these international brigades were definitely Red, definitely allied, and definitely connected with the Third International, and he fought to keep Spain free from communism. His war was successful. The leftwing movement in Spain was forced to flee and took headquarters basically in Mexico and Central America.

When World War II began Spain, of course, was under terrific pressure by the Germans to let them come over the Pyrenees to Gibraltar where they would have that western gateway to the Mediterranean. It has been charged that Franco let the Germans have wolfram and other materials. It has been charged that Franco sent two blue-shirted divisions to fight with the Germans.

The Germans had helped Franco against the Russian group during his civil war in Spain. When it came to the repayment Franco has said, and I have seen statements of his declarations on it, that he paid back man for man and dollar for dollar for aid that had been given him during the civil war against the Communists in 1936 and 1937, but that he had not yielded 1 inch of Spanish soil and never would to anyone. How right that statement is I do not know.

Mr. ARENS. How significant is Spain and North Africa in a worldwide military operation to the West?

Mr. HUNTER. Had Franco not held neutrality in World War II, General Patton, for one, has stated that it would not have been possible to land at Casablanca, or at Oran, or the other ports where our World War II landings were made.

It will be recalled that Rommel was there and was all the way along the north shore of Africa threatening the Suez Canal, and it was only after we were able to land and build up the African offensive that Rommel was forced to come back eventually to retreat into Sicily and Italy. Our establishment of a base to conduct World War II from Africa toward Europe might never have been accomplished had it not been for Franco keeping Spain out of Nazi hands.

Today the lifeline through the Mediterranean makes equally vital Franco's anti-Communist position and his recent agreement by which we can put bases, naval and military, in Spain provides the protection by fighter planes for our bombers based in North Africa.

Mr. ARENS. In general is the situation applicable respecting the significance of North Africa?

Mr. HUNTER. Certainly.

Mr. ARENS. Aside from the strategic materials in North Africa and the trade potential of North Africa and Africa in general as a supplier of raw materials, are North Africa and Spain vital to the defense of the West?

Mr. HUNTER. The Air Force maneuver last February was a refueling one to show that B-47's, which are medium, 2,000-mile operational radius planes, could refuel at any point over friendly territory and then penetrate 2,000 miles in and come back safely.

With fighter bases in Spain to protect the bomber bases in Africa, the bomber bases are safe.

Mr. ARENS. May we temporarily direct your attention to the situation in the Far East with particular reference to China, and Korea, and Indochina?

On the basis of your background and your experience and information to which you allude in your prepared statement, what are your overall observations respecting the Communist strategy and tactics in the Far East?

Mr. HUNTER. By testimony of Browder and action of Borodin the Soviet have been operating with the objective of taking China into the Soviet orbit within a matter of 2 years from the time they had established their government in Moscow. When the war began in Korea and the Reds drove south the North Korean forces were better armed and better equipped than the South Korean forces and when the United States went in, after having been driven down to a very narrow perimeter near Pusan at the extreme south, it was American forces which forced the Red forces back.

About that time there had been a series of reports which came from Nationalist Chinese intelligence. They stated in some considerable detail that the Red Chinese were being aided by the Russians directly and that their sources of supply had to depend on Soviet aid. In about 1952, 2 years ago, I received in the mail a document—I cannot vouch for it—which purported to be a translation of a treaty that had been signed in Moscow on February 12, 1950, which was 4 months before the Korean attack, by Vishinsky and Chou En-lai.

I did not intend and do not intend to ask the committee to consider that report in any other way except in light of what has happened since.

Senator WELKER. You mean subsequent events seem to have sustained what is included in the treaty?

Mr. HUNTER. Yes. I would tell you what the document says. This, as I say, was a reported translation. It said:

The Central People's Government of the Chinese People's Republic and the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics, for the purpose of strengthening the secret cooperation between the Chinese People's Republic and the Union of Socialist Republics, in order to prevent together any form of aggressive act by imperialistic policy as well as of the resurgence of Japanese Imperialism, with a view to establish a new order in Asia, and to strengthen the Chinese-Soviet friendly, cooperative, relationship, especially conclude, in addition to the Two Countries Friendship Alliance Mutual Aid Pact, a Special Agreement, as well as each appoint a plenipotentiary delegate as below.

The Chinese People's Government of the Chinese People's Republic specially appoint as Special Envoy the Chairman of the Chinese Political Affairs Department and Foreign Minister, Chou En-Lai.

The Presidium of the Supreme Soviet Socialist Republics specially appoint the Foreign Commissar Andrei Noraiwich Vishinsky.

The two plenipotentiary Delegates, after having examined together the document and found it appropriate, agreed to the following provisions:

ARTICLE 1.—The contracting parties, for the purpose of preventing together imperialistic invasions and of coping with the third world war, agree that the Chinese People's Republic will permit the Union of Soviet Socialist Republics to station troops within the Chinese boundary with a view to protect together world peace.

ARTICLE 2.—As from the date of conclusion of this pact, the Chinese People's Republic will first assign Northeast and North China sea and air bases to the Soviet Socialist Republic as a military measure, and also through the Chinese Liberation Army, will assume responsibility of assisting in the carrying out of the liberation of Southeast Asia so as to effectuate the completion of the liberation of the whole of Asia.

ARTICLE 3.—The contracting parties agree to reorganize the Chinese People's Liberation Army into (an) International Communist Army, to be under the direct command of the highest officer of the Red Army.

ARTICLE 4.—The Chinese Republic will be responsible for the mobilization of ten million Chinese workmen to assist Soviet Russia to collectively construct the Sino-Soviet military establishments in order to cope with imperialistic activities and aggression.

ARTICLE 5.—The Chinese People's Republic will make available all North China ports to the stationing of Soviet troops, as well as to provide free access and exit. Such ports will include Chinwantao, Haichow, Chiefoo, Weihaiwei, Tsingtae and Dairen.

ARTICLE 6.—The Chinese People's Republic will, before the end of this year, increase the number of soldiers by four million so as to be ready for meeting the imperialistic act of aggression.

ARTICLE 7.—The population of the Chinese People's Republic must, owing to the existing lack of resources, be diminished by 100 million, since otherwise they cannot be sustained. Its detailed procedures are to be determined by the Chinese People's government themselves.

ARTICLE 8.—All government Departments of the Central People's Government of the Chinese People's Republic should invite technical personnel from the Soviet Socialist Republic as advisors.

ARTICLE 9.—The two contracting parties agree to the sending by the Soviet Government of technical personnel, to participate in the operation of the main industries in the various districts of China. The Government of the Chinese People's Republic agrees to accord them with favorable treatment in accordance with the favorable "supply system."

ARTICLE 10.—The Chinese People's Republic will open for Soviet trade coastal ports and inland markets, as well as agree to levy duties of the 1/100 part under preferential rates.

ARTICLE 11.—Both contracting parties agree, under mutually beneficial and mutually profitable conditions, to carry out barter exchange for commodities in order to establish friendly relations.

ARTICLE 12.—The government of the U. S. S. R. will have special right to allocate the iron and other mineral raw materials within the boundary of the Chinese People's Republic: of which the lead mines, with the exception of retain-

ing 20 percent of the total yearly production for self use, the rest should be supplied to the U. S. S. R. to expand the heavy industries in order to assist in the industrialization of the Chinese People's Republic.

Mr. ARENS. May I respectfully suggest that the agreement has been incorporated in the record and it will not be necessary to read it in its entirety. You acquired this from a source which you deemed to be reliable; is that correct?

Mr. HUNTER. That is right. I was told that it was basically Nationalist Chinese Intelligence.

Mr. ARENS. You do not care on this record to identify the document any further?

Mr. HUNTER. No, sir. I would like to suggest, though, in connection with that document that you examine it in the light of what has happened since 1950.

The CHAIRMAN. And also due to your experience in military intelligence you have reason to believe, coupled with the events that have happened, that it might be an authentic treaty?

Mr. HUNTER. I would go that far. It was given to me in good faith by a source I consider reliable.

Mr. ARENS. You have also here a document entitled "The Chinese Communist Movement," a photostat of which I now have in my hand, the subtitle being "Military Intelligence Division, War Department, Washington, D. C." That has been declassified so that it can now be made public?

Mr. HUNTER. That is right.

Mr. ARENS. Can you identify the document any further?

Mr. HUNTER. The Military Intelligence Division, War Department, Washington, D. C., under date of July 5, 1945, classified it as secret. It was declassified under the signature of the General who had originally classified it, it is his authority so to do—on the 24th of August. I am not certain whether that was the 24th of August of that same year or a later year, but the declassification over the signature of the declassifying officer says: "Declassified August 24."

Mr. ARENS. So you feel free to release it to the press and to the public?

Mr. HUNTER. Certainly.

Mr. ARENS. May I invite your attention to a few comments to cover at least the highlights of your prepared statement, on the situation in the Western Hemisphere respecting on a global basis the strategy and tactics of the Communist movement?

Mr. HUNTER. The first major declaration of power by the Third International in the United States was that meeting held in 1922 at Overlook Mountain, at which time they flatly told all of the Socialists and the IWW, and the rest of the radical movement in the United States, that they would become a section of the Third International, responsible to that group, with headquarters in Moscow.

One of the points where trouble had developed was in Winnipeg where the first general strike ever perpetrated in the United States tied up the city for more than 6 weeks.

Senator WELKER. The United States?

Mr. HUNTER. Canada.

Senator WELKER. You stated the United States.

Mr. HUNTER. No; in Winnipeg, the city of Winnipeg.

Senator WELKER. You want to correct the record?

Mr. HUNTER. Yes. The general strike was in Winnipeg, Canada. The Canadian report of the Royal Commission which came out in 1946 developed that extent to which the Russians at peace with Canada had used diplomatic resources to go into the most vital and crucial military secrets of the country. The FBI report which was partly revealed in the hearings of the Senate Internal Security Committee in connection with the Harry Dexter White case went into the Atomic Energy infiltrations out in the West in and around Los Angeles.

Mr. ARENS. Los Alamos, you mean.

Mr. HUNTER. Los Alamos, and in Los Angeles in connection with Haakon, Chevalier, and that group that were mentioned in that Cal-Tech testimony about the visits of Steve Neison and the rest of them to make contact with the atomic energy development.

Going back to 1916, the Phelps-Dodge Mexican copper riots, at Nacozari in which a great many were killed, were part of the Communist movement. It was part of the IWW at the time.

In 1950 a survey had been made and came into my possession, and I will give you the sources on that if you want it, which said that in 1941 the Communist direction had gone into Mexico, had been in Cuba, working through both Polish and Czechoslovakian Embassies, to set up a series of armed insurrections in the Central American Republics. Particularly they wanted to break into Panama. They wanted to land anywhere in the area which would threaten the Panama Canal, because the two strategic targets of the Western Hemisphere which are most important in the opinion of Constantin Oumansky, who had been the director in that area while serving as Ambassador to Mexico City from the Soviet west as director of all the Communist espionage in the American Continent at that time—and this was in a report made prior to his death—he was killed when his plane took off in Mexico City and mysteriously blew up in the air—are the Panama Canal and Sault Ste. Marie locks, in Michigan, which of course, would cut off the distribution of steel from the Pittsburgh area if they could be dynamited or bombed.

In his opinion they are the two most important points that we would have to guard strategically.

In the prepared statement I have given names, places, and details of the operations, not only in Central America but in the various countries in South America in which definite Communist movements were detected, exposed, and to some extent stopped and to other extents currently growing.

Senator WELKER. Mr. Chairman, may I ask a question?

The CHAIRMAN. Senator WELKER.

Senator WELKER. Mr. Witness, can you tell me with respect to Bolivia of any activity that is going on there and any strategic minerals or metals that we are daily importing from there; if you know?

Mr. HUNTER. Yes, sir. With respect to the Bolivian strategic minerals, I do not want to get into any hassle as to what the requirements of the stockpile as of today are, whether or not we are currently importing.

Senator WELKER. I am not interested in that. That has been established.

Mr. HUNTER. The products are tin, silver, copper, lead, zinc, antimony, bismuth, wolfram, gold, lime, rubber, cinchona bark,

tungsten, petroleum, and such agricultural products as might be wanted.

Senator WELKER. What is the extent of the Communist infiltration in Bolivia, if you care to testify?

Mr. HUNTER. As of December 1952 there was still a strong Communist movement in Bolivia. I would be glad to get you the detail on that and send it to you.

Senator WELKER. You have nothing of more recent date than 1952?

Mr. HUNTER. As of December 1952 I have some additional material. Frankly, I understood that the South American phase was going to be handled basically in another way, and I did not go into that in too much detail.

Senator WELKER. Very well. Would you tell us something about how we stand in Argentina?

Mr. HUNTER. Argentina: silver, copper, gold, and petroleum on the exports. Peron hated the United States by reason of the restrictions that we had on some of the movements. He offered sanctuary to the Nazi naval forces during the war and when Germany fell he began to flirt with the Soviet Union. In the elections of Uruguay in November 1946 Peron used every method that he could to effect an anti-American government in the Republic, and when that failed, I think the record is fairly clear that Peron has been anti-American, anti-United States, since.

At Montevideo, in Uruguay, in 1946, Communist orders were issued to increase the Slav propaganda all through there. There are about 1,250,000 Slavs in South America and 60 percent of those were basically organized in, well, like the language fronts that we have had in this country over a period of years.

They did try to take over in Uruguay—that was in 1946—and they were defeated. Peron tried to aid that movement. I have a file on that that I will always be glad to bring up if you desire it.

Senator WELKER. Mr. Chairman, one more question.

The CHAIRMAN. Senator Welker.

Senator WELKER. Mr. Hunter, based upon your experience—it has been related here that you qualified as an expert—do you think in view of world conditions at this time that it is good sound policy for us to permit the shipment of strategic materials, or steel mills, or anything that might aid in the production of war equipment to, say, Argentina or Bolivia? I know nothing about that and I would like an answer from one who is as qualified as you are, sir.

Mr. HUNTER. To no country that is willing to trade with the Soviet.

Senator WELKER. By that you mean that Argentina has trade agreements with the Soviets and the satellites?

Mr. HUNTER. I will have to give you a picture on that, sir.

Senator WELKER. You do not need to.

Mr. HUNTER. I have the detailed setup on it, both Bolivia and Argentina, but I could not give it to you without checking. Argentina, I do know sends beef to Russia. They have sent a considerable poundage of it.

The CHAIRMAN. Mr. Hunter, it is all in your detailed statement?

Mr. HUNTER. Yes, sir. On April 2, there was a broadcast report that Argentina had delivered 71,000 tons of 145,000-ton food contract to the Soviet Union under contract which was then 9 months old.

Senator WELKER. You do know it to be a fact that not only do they have trade agreements with Russia, but with the Iron Curtain satellites?

Mr. HUNTER. Yes, sir; agreements with Hungary and with Rumania

Senator WELKER. Do you know that at this time the Soviet Union has trade missions working in South America in Argentina and other countries at this very time?

Mr. HUNTER. Yes, sir.

Senator WELKER. Thank you very much.

The CHAIRMAN. Mr. Hunter, your statement is rather long and detailed and it is rather hard to bring out here in a coherent form all of the detailed information that you have in this statement. Your statement has been made a part of our record. I would like to ask you this question in the way of summary: In your opinion, from your experience in this field as a military intelligence man and a special investigator in newspaper work for 35 years in the Communist field, what is the first thing that this Government should do to stop this growing, creeping spread of communism all over the world?

Mr. HUNTER. I would say pass Senate Resloution 247 because you have to bring a showdown as to what the Communists are trying to do. For 25 or 30 years we have looked at the little things that are close up and we have overlooked the efforts of the Third International to steal continents from the free world.

They have taken most of Asia. They want the rest of it. They are moving for Africa. We should call for a showdown as to how all the nations of the free world can stop the fifth column and then for a conference by which the nations of the free world could stop further aggression to expand, and stop this program, first infiltration and then seizure.

The CHAIRMAN. Let me ask you this: how about the severance of diplomatic relations from the standpoint of the internal security of this country?

Mr. HUNTER. In 1933 Litvinov culminated a drive that had gone on for 9 years to obtain recognition of Soviet Russia. I have given you the documentation of the operation of the Overman committee and the Lodge committee and the early organizations which met to block the Borah resolution which would have given recognition to Russia, and for 9 years it was blocked.

Then Soviet Russia was recognized.

From the time they were recognized in came, under the protection of diplomatic and consular recognition and trade protection, people who began from the day they landed to become spies for the Soviet under the international Communist conspiracy to eventually take over, not only this country, but the world. Why we have allowed since 1933, 21 years, the violations of all diplomatic procedures and diplomatic protocol and courtesies to continue is beyond my understanding as a newspaper observer and a looker at the facts.

The CHAIRMAN. From your experience and your travels and research, do you find that the other countries are apprised of this situation?

Mr. HUNTER. Definitely Canada must be. Definitely Australia must be. They found their spy groups working in their areas. France must know. Germany has found out. Every day you will find a list of the number of refugees that come out and tell Germany

about it. Certainly the South Africans know about it, and the powers in Africa have had ample opportunity to discover and deal with it.

The CHAIRMAN. Certainly this country has been apprised of it.

Mr. HUNTER. Certainly. Turkey has been aware of it.

Senator WELKER. Mr. Chairman, may I have one brief question?

The CHAIRMAN. Senator Welker.

Senator WELKER. Mr. Hunter, Chairman Jenner of this committee permitted me to head a task force that held a hearing in New York City last Friday down at the customs house in which there had been accumulated in a period of less than 2 weeks better than three-quarters of a million of pieces of Communist propaganda printed in Moscow in Chinese, in English, Hungarian, Polish, and all sorts of the languages by those satellites behind the Iron Curtain. The room in which we held the hearing was at least three times as large as this one. Mail sacks were stacked nearly to the ceiling. Four employees of the customs were assigned to process this vast accumulation of propaganda. Propaganda from 62 boats entering the harbor at New York daily, and 42 other ports, must be processed.

I take it you would approve of some sort of legislation to stop this sort of influx of propaganda which comes in wide open as of today?

Mr. HUNTER. We are not permitted to send American newspapers, magazines, or other publications from this free country into Russia or into the Soviet zones without complete and total censorship clearance.

Why should we grant them a privilege that they refuse to grant to our people?

The CHAIRMAN. Senator Johnston, do you have any questions?

Senator JOHNSTON. I had occasion to be in New York and check on this matter, too, last fall. I was amazed to see the amount of literature coming in from Russia in particular. If my memory serves me correctly, they were tearing open all the boxes and everything that goes out of America and checking them to see what was in them, just what it was, but materials coming in from Russia had some kind of priority or something that they passed over, especially if it was reading material.

Mr. HUNTER. When you realize that the World Federation of Trade Unions—and I am not getting into the labor picture at all, because the World Federation of Trade Unions is a Communist movement—has in its leadership Saillant and other Communists who control a great many seagoing personnel on foreign ships, obviously it is an open channel for the transmission and movement of that sort of thing into this country.

In the Communist mind anything that is not Communist is Fascist and anything that is Fascist is anathema. They do not recognize any democracy other than the Communist version of democracy, which is totalitarianism. As for democracy, they take the Greek déviation of the word, which means mob control, and their mob is a smaller proportion of the total population of Russia today than was the population under the Czar, the population of governing and controlling interests.

We just refuse to realize that we are gambling blue chips for continents and we are looking at the little local outbreaks.

Mr. ARENS. Can you negotiate with the Russians? Can you compromise with them?

Mr. HUNTER. I have never tried, but I don't know anyone that ever did successfully.

The CHAIRMAN. Mr. Hunter, we thank you for appearing here this morning. This is another of a series of hearings that this committee is trying to develop to give the American public and the Congress a picture and a clear picture of the strategy and the tactics of world communism, and your statement here is very detailed.

We appreciate your interest in this great subject. We thank you for appearing here. We will continue these hearings from time to time. Thank you very much, gentlemen.

(Thereupon, the hearing recessed at 11:25 a. m., Thursday, May 27, 1954, subject to call.)

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STRATEGY AND TACTICS OF WORLD COMMUNISM

HEARINGS

BEFORE THE

SUBCOMMITTEE TO INVESTIGATE THE
ADMINISTRATION OF THE INTERNAL SECURITY
ACT AND OTHER INTERNAL SECURITY LAWS

OF THE

COMMITTEE ON THE JUDICIARY

UNITED STATES SENATE

EIGHTY-THIRD CONGRESS

SECOND SESSION

ON

STRATEGY AND TACTICS OF
WORLD COMMUNISM

JUNE 10, 15, AND 17, 1954

PART 2

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TASK FORCE INVESTIGATING THE STRATEGY AND TACTICS OF WORLD COMMUNISM

WILLIAM E. JENNER, Indiana, *Chairman*

HERMAN WELKER, Idaho	PAT McCARRAN, Nevada
RICHARD ARENS, <i>Special Counsel</i>	

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STRATEGY AND TACTICS OF WORLD COMMUNISM

THURSDAY, JUNE 10, 1954

UNITED STATES SENATE,
SUBCOMMITTEE TO INVESTIGATE THE ADMINISTRATION
OF THE INTERNAL SECURITY ACT AND OTHER INTERNAL
SECURITY LAWS, OF THE COMMITTEE ON THE JUDICIARY,
Washington, D. C.

The subcommittee met, pursuant to call, at 10:30 a. m., in room 457, Senate Office Building, Hon. William E. Jenner (chairman of the subcommittee) presiding.

Present: Senators Jenner and Welker.

Also present: Richard Arens, staff director, and Frank W. Schroeder and Edward R. Duffy, professional staff members.

The CHAIRMAN. General Wedemeyer, will you be sworn and testify?

Do you swear the testimony you will give in this hearing will be the truth, the whole truth, and nothing but the truth, so help you God?

General WEDEMEYER. I do, sir.

The CHAIRMAN. The hearing today is a continuation of a series of hearings which are being conducted by a task force of the Internal Security Subcommittee of the Senate on the strategy and tactics of world communism.

As I stated in announcing this series of hearings the Communist conspiracy in the United States is only one tentacle of a worldwide octopus which has as its principal target the United States of America. It is therefore essential that we keep abreast of the strategy and techniques of world communism if we are to appraise adequately the operation of this conspiracy in our Nation.

The witness who will testify today is a distinguished American whose deeds will be fully recorded in the history of our country which he has served so well.

We are confident that from the wealth of experience and wisdom which are his, Gen. Albert Wedemeyer will have significant contributions to make to our committee.

TESTIMONY OF GEN. ALBERT C. WEDEMEYER

The CHAIRMAN. You may proceed, Mr. Arens, with questioning General Wedemeyer.

Mr. ARENS. General, for the purpose of our record, would you kindly give us a brief résumé of the various Army commands which you have held and your experience in various theaters of operation in the world?

General WEDEMEYER. I presume, gentlemen, that you do not want me to go back beyond the time that I began to attain a little rank and responsibility, which would mean about 1940; is that correct?

Mr. ARENS. Yes, sir.

General WEDEMEYER. Prior to that time 1940 for background, I did serve in China and in the Philippines; I served in Germany, where I was a student of the War College for 2 years and was assigned to German troop units during the maneuver period in the summers. During my 2 years (1936-38) in Germany, I traveled all over Europe.

Immediately prior to the war (1940), I was assigned to the Strategy and Policy Group of the General Staff in Washington and had some responsibilities in the area of strategic planning for World War II. During the war I attended world conferences at London, Quebec, Washington, Casablanca, and Cairo, as a member of General Marshall's staff.

In 1943 I was sent to India to serve as Deputy Chief of Staff to Admiral Lord Louis Mountbatten in the Southeast Asia Command. The headquarters of this command was in New Delhi, India.

After 1 year in that position I was sent September 1944 to China to assume command of the China theater, relieving Gen. Joseph Stilwell. I remained in command of that theater for the duration of the war and until it was disbanded in May 1946.

I returned to the United States and awaited orders to return to China where I was scheduled to serve as Ambassador at the request of President Truman.

There were developments that caused the cancellation of that appointment, and in September 1946 I was given command of the Second Army, with headquarters in Baltimore. This Army area comprised seven Eastern States of our country.

Then I returned to the Pentagon and served as Deputy Chief of Staff to General Eisenhower, again in charge of strategic or global planning.

In 1947 I was sent to the Far East on a Presidential mission to make a survey of the political, economic, psychological, and military conditions in China and Korea. I was required, on that mission, to analyze the developments in that important area and to submit recommendations to the President in connection with continued United States policy in that area.

In 1949 I was assigned to command the Sixth Army, comprising the eight Western States of our country. While on that assignment I requested retirement July 1951 from the Army. At that time the law permitted an officer to voluntarily retire at the conclusion of 30 years' service, and I took advantage of that law.

I am presently connected with industry, as vice president and a director of Avco Manufacturing Corp.

Mr. ARENS. General, on the basis of your background and experience, would you care to express to the committee what you feel are the principal elements of the Communist global tactics?

General WEDEMEYER. Gentlemen, in my judgment there are four general areas which we must consider when evaluating or analyzing the Communist movement. Those areas comprise the political, economic, psychological, and military.

Mr. ARENS. Could you kindly illustrate from your experience each of these four elements and how they operate?

General WEDEMEYER. I will try to do so, sir.

In the political area, the Communists have endeavored to undermine confidence of peoples in their respective governments. They have resorted to the distortion of facts regarding historical developments, to lies, to chicanery, even to murder. In fact to any tactics that might permit them to extend gradually the control of peoples and nations. They have successfully oriented toward the Kremlin millions of people and many nations through those tactics, and in such manner as to permit their unequivocal control.

While science has been improving weapons which permit the more effective destruction of human lives and the works of man, science has concurrently improved the means whereby unscrupulous leaders can gain and maintain physical control over various areas geographically and mental or spiritual control over huge numbers of people.

In the latter case, I refer, of course, to the radio, the motion picture, and flying columns, when they are required to employ the intimidation of force, and the various gadgets that have been introduced by science to facilitate thought control or brain washing as well as physical control of peoples.

Mr. ARENS. Do you have a comment to make with reference to the economic element?

General WEDEMEYER. Within the economic area, the Soviet unscrupulously, in the closing days of the war and immediately thereafter, misrepresented the assistance given to people in warstricken areas.

I can give you a direct example in connection with the lend-lease that was sent in postwar years to China by American taxpayers. The Communists, Soviet agents, changed the labels on boxes and indicated that the supplies that were abundantly sent to help rehabilitate the area, those supplies, according to the changed labels on the boxes, emanated in the Soviet Union. Of course we know that the United States contributed approximately 78 percent of the world lend-lease program.

They resorted freely to economic pressures. As soon as they gained control of peoples or areas, they immediately oriented the economy of such areas toward the Kremlin, denying to the people indigent to the areas the fruits of their labor. They imposed rigid collectivization and regimentation of labor, all industrial and farming activities.

Even today I could give you a quick example. There are abundant oil resources in Rumania, the Ploesti oil fields, which would be adequate for the requirements of that country. In addition the Rumanians would still have surpluses to export and thus help their economy by increasing revenues. However, the price of gasoline in Rumania today is \$2.40 a gallon, prohibitive in cost, of course, to the people. The bulk of the gasoline is taken over by the Soviet representatives. They direct it to their selfish interest, for their military or for purposes connected with Soviet trade with oil-thirsty countries.

These are a few of the many examples that one might give to indicate the economic pressures to which the Soviet subject peoples once they gain control of their governments.

Mr. ARENS. Do you have a comment to make with reference to the psychological element of the Communist global tactics?

General WEDEMEYER. In the psychological field, the rulers in the Kremlin have been most successful. After so many years of war, with attendant disruptions and dislocations, with many people disillusioned concerning their own previous ideas and ideologies that had proved unsuccessful in that world struggle, there was everywhere fertile soil for the distortions of facts, the lies, and false promises of the Soviet leaders. Thought control and brain washing were included in the Communist tactics in these various war-torn areas. Even here in our own country, being a trusting people, many of us were deceived by the Soviet tactics.

We had just won a great war. The Soviet Union had been one of our principal allies. We Americans felt that now we could enjoy an era of peace and prosperity. Some of us seemed to hope, certain of our leaders and some gullible American people hoped that we now could evolve an international modus operandi whereby peace and prosperity could be facilitated. The United Nations Charter epitomized the spirit of the times, and if carried out with sincerity of purpose, of course, it would have been a wonderful approach to world peace, a civilized and realistic approach to good will toward all men—to victors and vanquished alike. But unfortunately, and definitely, the Soviet had no intention of keeping their promises of abiding by the terms of the United Nations Charter. They had broken faith before and it was indeed most unfortunate that our responsible leaders of the Government had not provided safeguards which would definitely protect the military victory for which we had sacrificed so much.

Even back in 1933 the Soviet broke faith with us. They promised when we recognized them diplomatically, when we exchanged diplomatic amenities, that they would not, under any circumstances, finance, support, or initiate activities and organizations that had for their purpose, interfering in any way with our Government, social structure, political, and economic structures. Everyone knows now in this country that the Soviet Union and satellites have continuously made and are even now making every effort to undermine confidence in American leaders, both military and civilian. They are making every effort to create cleavages between social classes, between management and labor, between races, white, black, brown, and between religions, Catholics, Jews, and Protestants.

They have had marked success in the field of propaganda in the "cold war." I attribute this primarily to the fact that we are a gullible and trusting people. These are traditional characteristics of Americans.

Mr. ARENS. And now your final element here, as a word of background, if you please, sir, the military element of the Communist global strategy; what is your comment on that, if you please?

General WEDEMEYER. Yes, sir.

Immediately after World War II, the Soviet did not decrease materially their military strength. In that same atmosphere of trust and naiveté, we emasculated our military forces, and so did our other allies, our friendly allies.

Consequently the military posture of the free nations, vis-a-vis the Soviet Union and satellites, was such that the Communist nations enjoyed a great preponderance of military strength. Their military forces were not directly employed in their program of aggressions,

but their immediate availability, their very existence was utilized as a weapon of intimidation.

Furthermore, they continued to create and maintain potential powder kegs around their periphery, any one of which could be ignited at times and under conditions of their choosing. Invariably they implemented their aggressions and military operations with satellite troops, involving only a few of their own people as technical advisers, arch conspirators, and propaganda artists.

Korea, China, presently Indochina, are irrefutable evidence that they have carried on their program of world conspiracy and aggression with military involvement in the manner just described.

In my judgment, the Soviet Union will resist assiduously the direct use of their own military forces.

Mr. ARENS. General, how late is it on the timetable of the Soviets for world conquest, in your judgment?

General WEDEMAYER. As a private American citizen, completely unemotionally I say to you, sir, that it is now very late; I am not completely a pessimist, but it is very, very late.

Obviously, immediately after the war we should have been realistic in evaluating the world situation. Past experiences with the Communists—realism demanded that we take the steps necessary to protect the victories for which the American people made such great sacrifices, both human and material.

But I am confident that, if our political and military leaders will realistically appraise the current situation and utilize intelligently and in an integrated manner those four major instruments of national policy, political, economic, psychological, and military, we still can emerge victorious, in protecting and preserving our national interests.

Mr. ARENS. General, do you believe it is in the best interests of the United States of America and the free nations of the world to break off diplomatic relations with the Iron Curtain countries?

General WEDEMAYER. I definitely do. I would have recommended, had I been asked, several years ago that we not exchange diplomatic amenities with the Soviet Union and satellites.

I base this on the experience that we have had and other countries have had in the field of international relations with Communist dominated countries. I base that statement on my knowledge of the doctrine of Karl Marx, which I have read carefully, both in English and German, the two volumes of *Das Kapital* and the *Communist Manifesto*, which spell out very clearly the aims and the objectives of the Soviet conspiracy.

We all should have very vivid recollection of *Mein Kampf*, which was promulgated by Adolph Hitler, and in which the objectives of the Nazis were clearly spelled out but unfortunately disregarded by most Americans and Allies.

The CHAIRMAN. General, you have made an expression that you think it would be proper for the best interests of this country to break off diplomatic relations with the Iron Curtain countries, and I believe that you went back in your earlier statement stating that they have broken their word since they were brought into the family of nations in 1933, that they immediately set out to destroy, to harass and to set up fifth columns in this country, by subversion, by sabotage, and by espionage. And the record is clear on that. Just within the last

2 days, I think, General Franco of Spain made a statement that received wide publication in this country, that we also, if we are intent on fighting this cold war, should break off trade relations, and our allies should break off trade relations and isolate the Soviet.

What is your opinion on that, if you have one on that, this morning?

General WEDEMAYER. I definitely have an opinion about that, sir.

There are advantages and disadvantages in breaking off trade relations with any country, but it is my conviction that more advantages would accrue to the United States and other free nations, who have objectives compatible with our own, to break off trade relations with the Soviet Union and satellites. We should not attempt any of the accepted and traditional contacts or relations with Communist countries unless and until they give irrefutable evidence, tangible evidence, of their sincerity of purpose in connection with world peace, honest dealings, equity, and justice among all peoples.

The CHAIRMAN. General, if we did break off diplomatic relations with the Soviet, what effect would the severance of these diplomatic relations have upon the procurement of intelligence information, for example, by our Government?

General WEDEMAYER. Proponents of continued diplomatic relations with the Communist countries have often stated that if we were to break off diplomatic relations with them, that we would close windows through which they can observe developments in countries behind the Iron Curtain. When we send diplomatic representatives to any country, we do so in keeping ethical arrangements, whereby our representatives are honor bound to respect the laws, the customs, and the traditions of the country in which they are serving. Our foreign representatives behind the Iron Curtain have experienced, and continue to experience insults, humiliations, harassments, and restrictions which unquestionably preclude the effective performance of their duties. Furthermore, the United States has been greatly restricted, unreasonably so, with regard to the number of representatives we are permitted to maintain in our embassies, legations, or official agencies behind the Iron Curtain. Exorbitant rents are charged and degrading treatment of our representatives add to the mockery and sham of diplomatic amenities and common decency is unknown in contacts with officials of the Communist countries. Conversely, and stupidly, we permit the Reds to maintain their embassies, legations, and agencies within our borders, extending naively every facility and courtesy in consonance with the traditional diplomatic code of ethics and international law. We must recognize that every representative of a Communist country, enjoying our hospitality and the usual diplomatic immunities within our borders, is a provocateur, saboteur, propaganda agent, spy, and potential murderer, for he is thoroughly indoctrinated and fanatically believes that the end justifies the means.

The CHAIRMAN. And yet we extend to their diplomatic corps the courtesies that are denied to us?

General WEDEMAYER. Exactly, sir.

The Communists always maintain a disproportionate number of representatives in any area, while prescribing rigidly a limited number of representatives from other countries.

The CHAIRMAN. And when you multiply the satellite nations, we are getting very little representation and they are getting a great deal; is that not correct?

General WEDEMAYER. I agree with that. Yes, sir.

Senator WELKER. Mr. Chairman.

The CHAIRMAN. Senator Welker.

Senator WELKER. May I divert just a moment on the subject matter that you brought up?

General Wedemeyer, it is certainly a great honor to have a great American like you before our committee. I want to thank you for coming here on behalf of, I am sure, all of us.

I want to ask you whether or not you are familiar with the hearing Senator Jenner's task force held in New York a couple of weeks ago, at which I had the honor to be the chairman, wherein we held a hearing down at the Customs House and we found millions of pieces of Communist propaganda filling a room to the ceiling easily twice the size of this and perhaps three times the size of this room. This propaganda had been brought in by boat, airplanes, and other modes of transportation and intercepted by our very loyal customs officials there. And I might say we only have four in the huge port of New York.

I will ask you if it is not a fact, by virtue of the diplomatic relations we have with Russia today, that that permits the influx of this huge volume of illegal propaganda that is coming into this country as of now, sir?

General WEDEMAYER. Senator Welker, in my judgment, it does. I am familiar with the incident or the case that you related. Our present diplomatic status with Communist countries does definitely facilitate the propagandizing of our people, the illicit and clandestine operations of Red conspirators, including the entrance of subversive printed matter, which unquestionably is designed to undermine confidence in our way of life, confidence in our Constitution and Bill of Rights and confidence in our leaders.

I would like to relate an experience, Senator, if I may, along the same line.

When I was in command of the Sixth Army on the west coast, Mrs. Wedemeyer and I attended in 1950, a local motion-picture show in San Francisco. We were astounded to see an obviously Communist-inspired film being shown. When Stalin's picture was flashed on the screen, which was frequent, the audience applauded. There were nuances and inuendoes, if one analyzed the theme of the picture objectively, that definitely glorified the Soviet and depreciated our free enterprise economic system, respect for the dignity of the individual. Similar un-American or anti-American ideas were threaded through this film.

Concurrently, Senator Welker, in Korea, American boys were dying to protect American principles of liberty—the freedoms which have made our country great.

Accordingly, I protested to the State Department. I wrote a communication immediately, spelling out this personal experience that I had had in an American motion-picture show, just outside the gates of the Presidio at San Francisco about 2 or 3 years ago. I hope sin-

cerely that appropriate steps have been taken by our Government to evaluate all foreign films and printed matter entering this country.

Senator WELKER. I have one more thing, Mr. Chairman.

The CHAIRMAN. Senator Welker.

Senator WELKER. I think Senator Jenner's committee—and I helped him on the matter—was the first congressional committee to discover the first motion picture in the English version to come to our shores which tried to influence the American people, had it been shown and had it not been intercepted, that our loyal Army was guilty of the infamous germ warfare that they propagandized so heavily throughout this country. And that, I think you will agree with me, General, was by virtue of the fact of our silly diplomatic relations with a country that is determined to destroy ours.

General WEDEMAYER. I agree with you 100 percent, sir.

Senator WELKER. Thank you, sir.

Mr. ARENS. General, what would be the effect of severance of diplomatic relations on the economy of our Nation?

General WEDEMAYER. Mr. Arens, I think we would have to extend that question a bit to include the economic implications, if we severed trade relations along with diplomatic relations, right?

Mr. ARENS. Yes; if you please, sir.

General WEDEMAYER. American industry is very complex and highly integrated. We do at present go to farflung places for raw materials that are important factors in our expanding productive capacity and its concomitant, our high standard of living. For example, we get manganese, chrome, and tungsten, and we do obtain diverse kinds and quantities of raw materials from remote areas, many of them from countries located behind the Iron Curtain.

But I am mindful of the ingenuity and the resourcefulness of the German people when, during both World War I and II, they were denied access to raw materials from remote areas. Yet they carried on a stupendous war effort for a long period of time. I have confidence in the ingenuity and the resourcefulness of American industry to resort to substitutes and to exploit resources more readily available in lieu of sources behind the Iron Curtain.

It would affect our economy but definitely would not be dangerous to our economy; nor would it seriously impair our security if those raw materials from behind the Iron Curtain were denied to us.

Senator WELKER. Mr. Chairman, right on that line—

The CHAIRMAN. Senator Welker.

Senator WELKER. General, you are certainly informed of the fact that, while we are doing business with Communist-dominated countries, some of our own local mines, producing lead, copper, zinc, and especially antimony, are shut down, and people are going out of work by virtue of the fact that we are doing business with these countries?

General WEDEMAYER. Yes, sir; I am aware of that, sir.

Senator WELKER. And that is a tragic situation for America, I think you will agree with me.

General WEDEMAYER. Yes, sir.

I would like to qualify my concurrence somewhat, Senator Welker.

I strongly believe in the development of our own resources. Further, I agree with any program designed to keep our American people gainfully employed. However, I am sure you will agree that inter-

national trade is desirable when it can be carried on advantageously to our own country, whose interest we always must place first. Comity requires that advantage should accrue to the countries with whom we are trading. I would like to conserve our natural resources to a commensurate degree and thus insure, if an emergency develops, that we would not be dependent upon remote areas, sir.

It is my judgment—and I have given considerable thought and study to this problem—that we are not dependent upon outside resources for a healthy economy in this country if we do as you suggested, namely, utilize our own resources to an appropriate degree and prepare for their immediate utilization in the event of an emergency.

Furthermore, sir, I would like to state that there are excellent sources of imported raw materials that have not as yet been developed north of us, in Canada and Alaska, and south of us throughout the Latin-American countries.

While paying so much attention to the Far East and to Western Europe and Middle East developments, in my judgment, gentlemen, we have neglected to assist in the development of the natural resources of Latin America. Also we have failed to create the good will and mutual confidence that are so essential to cooperation and collaboration through the Latin American countries.

The CHAIRMAN. General Wedemeyer, there is a great discussion going on saying that, no, we should not trade with the Soviet and her satellites in strategic materials, but certainly it is all right for us and our allies to trade with the Soviet and her satellites in nonstrategic materials.

You, as a great military man, could you help this committee in distinguishing between strategic and nonstrategic materials, when it comes to the standpoint of trade?

General WEDEMAYER. Yes, sir.

Strategic materials are those which contribute positively to the political, the economic, the psychological, and military strength of a country.

The CHAIRMAN. Where do you draw the line, General?

General WEDEMAYER. I was coming to that, sir.

In my judgment, a country that receives any product from beyond its borders profits thereby and is strengthened in a political, economic, and military sense. Some of our friends, presently carrying on trade with Communist countries justify this by claiming that the products involved could not be interpreted as strategic material. Let us consider cotton as an example. If we were to deny cotton to Red China, this would severely hurt the economy of that country and would contribute to the problems of the Chinese Communist leaders and thus retard or preclude the consolidation of Communist gains in that country.

If the people of a country are not employed, if they cannot obtain the necessities of life, they invariably attribute their difficulties or unemployment situation to their political leaders. If they are gainfully employed and can obtain the necessities of life, they also associate their more favorable plight to their leaders. In other words, economic stability is a concomitant of political stability.

I personally feel that we should not trade with any country that has for its proven objective the destruction of everything we stand for,

or is scheming and plotting to destroy us. Certainly there can be no justification for trade of any kind or description with countries with whom we are at war or with whom our proven friends are at war. If my firm conviction to the effect that any product imported into a country irrefutably helps the economy—the industry and hence the war effort of that country, is sound and defensible, how can our allies possibly justify trade with such a country.

The CHAIRMAN. General, to change the subject a little here, would you help this committee in this respect: What bearing does the Communist military aggression in the Far East have on the security of the United States?

General WEDEMAYER. Sir, about half the population of the world, 1,200,000,000 people, live generally throughout the Far East. Only a fringe, only a vanguard of those people have an education. Approximately 80 percent cannot read or write. They want basically food, shelter, and the opportunity to improve their lot and to live in peace.

About 400 years ago many Western nations initiated what might be termed the gunboat policy. They compelled those people to trade with them, utilizing the intimidation of force.

The orientals have heard stories about this gunboat policy. They have been handed down by word of mouth and have been exaggerated, of course, with the retelling. Furthermore, and concurrently over the past few centuries, western powers colonized and planted their flags in various parts of the Far East. They demanded and received preferential treatment. Economic exploitation and colonization by western powers are two developments in the Far East that the orientals are really determined to eliminate.

It is not communism, nor is it democracy, that they understand or fear. A strong nationalism is running rife in the area, and Communist propaganda has skillfully given impetus to this.

Militarily, to return specifically to your question—if you will retain the information I have just given as background—militarily the teeming millions of people, if oriented toward the Kremlin, would provide the Soviet Union with a vast reservoir of manpower which they could and would undoubtedly use to implement their sinister plans. The people in the Far East, the soldiers when fed, led, trained and equipped properly, make valiant fighting men, excellent soldiers.

Therefore, manpowerwise, if the Far East were to fall under the aegis of the Soviet, a great advantage would accrue to the Soviet as against the free nations.

If the Communists capture all of Asia, southeast Asia, our own military security would be somewhat jeopardized. However, assuming that we retained control of the bastion along the littoral, extending from the Aleutians down through the Japanese Islands, Okinawa, the Ryukyus, the Philippines, and then on down through the Micronesian and Melanesian Islands, the Reds could be blocked off effectively if they attempted military operations to the east and south.

I must emphasize that our security, if we retain that bastion, would not be seriously jeopardized. I personally do not believe, gentlemen, in utilizing American boys in ground fighting in any of the military operations on the Asiatic mainland.

The free people indigenous to that area, if they want their freedom, if they want to oppose those oriental people who are unfortunate tools

of the Kremlin, should sacrifice and fight. I would suggest that we make available to them the military equipment and the technical know-how to use it, but I would not involve American manhood in that caldron of Asia.

I am opposed to sending American ground forces there for that and many other reasons, sir.

The CHAIRMAN. Senator Welker?

Senator WELKER. I assume, General Wedemeyer, from that statement that you do not believe that the American armed services should attempt to fight another Korea wherein they are denied the right to win?

General WEDEMAYER. Definitely not, sir.

I mentioned earlier, Senator Welker, that there are four major instruments—if you will pardon the repetition—four major instruments of national policy available to any country; namely, political, economic, psychological, and military.

The intelligent and timely use of the first three of these instruments should preclude the use of the fourth—the military. When the first three fail in providing the security for our country, in the final analysis we must resort to the military, of course, still utilizing the other three instruments of foreign policy, too.

Once we resort to military forces, we should give the military commander clear-cut instructions to win a victory. We should give him the means to win that victory, whatever that might involve. We should provide him with the benefits of American ingenuity and industrial might, and instruct him to win in the American tradition, honorably but definitely. We should give him our loyal support in the process.

We should not tell him to go to the 50-yard line and not even attempt to kick a field goal from that position and then expect victory.

The CHAIRMAN. In other words, General, am I correct in this assumption that we as a nation must be morally responsible for our own commitments on peace and security for this Nation?

General WEDEMAYER. Completely, sir.

The CHAIRMAN. And that we dare not commingle troops, commingle command, and so forth, where we morally cannot be responsible for the decision which we once make?

General WEDEMAYER. I agree with that completely, sir.

Senator, in my 11 years in the Orient—if this would help you and members of the committee to evaluate the situation there more objectively, may I add—I do not believe that the Koreans or the Chinese who observe a white man, an American soldier, killing orientals, even though those orientals, for the present at least as I stated earlier, are tools of the Kremlin, that such Koreans or Chinese approve deep in their hearts and minds. Actually they resent the killing of their people by our people, and they don't comprehend our humanitarian motives. Military force is not the primary answer to the problem in the Far East. I think, again, that the people themselves, if they really want their liberty, should fight for it as our forefathers fought for their freedom here in this country. It will mean more to them, and furthermore we will not be adding fuel to the Soviet propaganda that we are imperialistic in our designs and that we want to reestablish colonies or impose a preferential trade position.

The CHAIRMAN. In other words, you think that, if they have the heart and will to fight for liberty, the primary responsibility should be Asians fighting for Asia.

General WEDEMAYER. Definitely; I certainly do, sir.

Mr. ARENS. General, the encroachments of communism are gradually denying areas in the Far East and even in Europe to us. If not successfully blocked we may be driven back practically to our own shores. What would the strategic implication of such a situation be to our military security and to our economy?

General WEDEMAYER. Sir, I am not an isolationist. I believe in cooperating and in collaborating with other nations that have objectives compatible with our own. I want to make it clear, sir, that I am not an isolationist and that I would encourage and welcome mutually beneficial relations and cooperation with any nation that gives irrefutable evidence, tangible evidence, that it has objectives compatible with our own and will make a proportionate contribution toward the accomplishment of these objectives.

I do not suggest that other nations should change their form of government, their economic philosophy, their customs, and their traditions—not an iota. I do maintain that I would be willing only to cooperate with those nations when they give evidence of sincerity of purpose and determination and willingness to cooperate with us realistically, to make necessary sacrifices, and to adhere faithfully to established principles of decency, loyalty, and honor.

Now, then, the hypothetical situation that you embodied in your question; namely, a situation whereby we might be driven back to our own shores, both east and west. In my judgment we still could successfully defend our country if, as suggested earlier by Senator Welker, we recognize now that such a situation is a possibility, however remote, and if we create conditions economically wherein we would be independent of sources of raw materials remote from our own country and wherein we would develop the raw materials available through the Latin American countries and also to the north of us in Canada.

Economically I believe that we could evolve and maintain a sound economy in this country even though we were restricted to the Western Hemisphere. In some respects we would have to make adjustments. Our standard of living would be affected, but it would be better to tighten our belts and remain free. Militarily, again I believe that we could successfully defend our country and those areas contiguous to our country, either north or south, if such a situation were to develop.

Senator WELKER. Mr. Chairman, may I inquire on a statement made by the distinguished general?

The CHAIRMAN. Senator Welker.

Senator WELKER. General Wedemeyer, I have noted twice in your statement that you have advocated—as I think this entire committee and most all of America do—that we cultivate the Latin American countries. I would like to ask you a very simple question with respect to this.

Should we cooperate to the extent that we should send, say, a steel strip mill to a South American country which is under a dictatorship, which has trade agreements with not only Russia but every satellite of Russia, including Guatemala, and accept their word that they

should not use this, or they never would use this to hurt the United States of America?

This has been a problem in our minds, and I would like your advice upon this because I am informed that, if they do send out from this country a production mill, with which they cannot only produce steel but I believe aluminum, copper, and other strategic metals, the only thing America has to rely on in the event of a breach is that they broke their agreement. Now that is not going to help us very much militarily.

I would like your observation with respect to that matter.

Let me further say that I read in the press that boatloads of arms and munitions are being sent to some of our neighboring countries in the Latin American area. I wonder if you could help us on that matter, sir?

General WEDEMEYER. I will, sir, express my views.

In the first place, I believe—and I am saying this in a constructively critical manner—that we have not facilitated good relations with the Latin Americans. I think we should have made the effort many years ago. It is unfortunate that we did not do so, and some of the unfortunate developments in that area can be attributed to the fact that we have not been realistic in building up good relations there.

Specifically, with reference to the steel mill in the South American country to which you alluded, I would not put the steel mill there unless I had assurance, irrefutable evidence, that advantage would accrue to my own country. That would be the test, sir, of any aid or assistance that I gave to any country, in any part of the world. That is international realism.

Senator WELKER. General, if I may interrupt: You are mindful of the fact that at this very moment the Communist conspiracy, Russia, has trade missions not only in Guatemala but in all of our South American and Latin American countries as of this time.

That strikes me as being rather dangerous, sir.

General WEDEMEYER. If the evaluation on the part of our representatives in this Congress, if the evaluation of information along that line indicates clearly that advantages would accrue to the Communists, our avowed enemies, then I certainly would not collaborate or cooperate with those people.

Senator WELKER. Then going back to your statement a moment ago, that maybe our economy would be a little bit depressed by virtue of the fundamental law of nature, to wit, the law of self-defense—they might call it isolationism, or whatever they might do—in the event we are forced to our own shores, it might well be that those of us in America trying to support our armed services could well use that strip mill instead of having it overseas; would you not agree?

General WEDEMEYER. Yes, sir. That should be brought out in the careful evaluation of all the implications as I mentioned, sir.

I would like to mention one point. As I listened to the questions and as I reflect upon my replies, it might be that we are mentally conjuring up a colossus that is overwhelming, that is irresistible and will inevitably destroy us. I am sure you gentlemen are mindful of the fact that behind the Iron Curtain there are defections, dissensions, and many serious problems confronting the Communist leaders, and as these people extend their control, their difficulties mount. They

are having many economic difficulties, far-reaching psychological and political difficulties.

I am not optimistic about the future, but I am encouraged when men like yourselves, our representatives in the senior legislative body of the land, are investigating communism and all of its implications, so that you can recommend appropriate steps to responsible leaders and to the American people.

The **CHAIRMAN**. General, on that point: What would be, in your judgment, the psychological impact on the minds of the people of the Iron Curtain countries of a severance of diplomatic relations with the Iron Curtain countries?

General **WEDEMAYER**. Senator Jenner, I have never been behind the Iron Curtain. Presently I am chairman of the board of the Tolstoy Foundation. That foundation facilitates the processing of Russians who have been persecuted and enslaved behind the Iron Curtain and who have successfully breached the curtain and are now in processing stations in Europe or are en route to new lands. Some of them are brought to this country.

I have talked to many in this category and obtained interesting information that might assist in answering your question. These stories and, of course, reports emanating from various sources abroad would indicate that the people behind the Iron Curtain, the majority of them, are disillusioned, unhappy, and would welcome the opportunity to overthrow their present leaders.

The interpretation that these people to whom I talked would put on such a step—namely, severance of diplomatic relations—would be in my opinion, substantially as follows: That at long last, realism is dictating American foreign policy. The Americans at long last recognize that they cannot carry on the traditional diplomatic exchange of amenities and that now they are going to make it difficult for the Soviet to propagandize their people about the weakness of America or about United States friendship as symbolized by diplomatic representation.

Tacit in our present situation, is undoubtedly the belief by the Russian people that we are getting along with the Soviet leaders and that they are doing all right, maybe that we even respect them. I am sure the vast majority of the people behind the Iron Curtain want to believe that we do not admire or respect their unscrupulous leaders, that we are sincere in our sympathetic understanding of their terrible predicament.

Senator **WELKER**. May I have a question, Mr. Chairman?

The **CHAIRMAN**. Senator Welker.

Senator **WELKER**. General Wedemeyer, I do not like to take too much of your valuable time, but let me ask this question: Based upon your vast experience in China, I would like you briefly to put in the record some of your experience while you were in China that resulted from the fifth column of the Soviets coming in and undermining the thinking of the people of China.

I have had some information with respect to Earl Browder. While you were out there, it seems to me that he had something to do there. Can you relate anything about that?

Maybe I am in error.

General WEDEMEYER. In the first place, for many, many years the Soviet has been training Chinese and other nationals for future use in their world conspiracy. The propitious time arrived in the closing days of World War II. They trained Koreans, Japanese, and Chinese, indoctrinating them thoroughly so that they became fanatical followers of the Marxist doctrine. Each of these well-trained fanatic believers was returned to his native land and became a potential cell or nucleus around which communism was expanded in the familiar pattern of deceit, propaganda, and subversion.

Supplemented by propaganda that emanated from Moscow, Yenan, and Vladivostok—propaganda that I, as commander of the Chinese theater, was monitoring, analyzing, and evaluating, these Communist leaders in the Far East, particularly in China, were able to undermine the confidence of the people in the Generalissimo and his government.

Furthermore, propaganda was directed against the Allies, for example, the Americans, the British, French, and so forth, to the effect that we all were there as symbols of imperialism and exploitation or colonization. After 8 years of war, with attendant dislocations, disruptions, and so forth, the Chinese people were confused, dismayed, and completely exhausted. They were fertile soil in which to plant seeds of discontent, defection, and subversion. Then the fact that the Truman administration renounced, more or less, the Nationalist Government of China added to the complete breakdown of Chinese resistance to the Communist aggressions which were supported by Moscow.

To address myself more specifically to your question, Senator Welker, I did know that Browder, also a woman named Smedley, and many others—

Mr. ARENS. Is that Agnes Smedley?

General WEDEMEYER. Yes, sir; and many others visited China while I was there. These alleged Communists were reported to me as being in contact with the Chinese Reds, including Mao Tse-tung and Chou En-lai.

I might relate that the Red propaganda against the United States was scurrilous—a pack of lies. I mentioned the fact that my headquarters monitored all radio and press reports throughout the area. Every morning a compilation was on my desk. I contacted the senior American diplomatic official in Shanghai and suggested that he go to the senior Soviet diplomatic representative and demand that this propaganda against Americans be stopped at once. He asked me to accompany him and we presented firmly our protest against such obviously unfriendly acts. The Soviet representative disavowed any connection with the propaganda and assured us that there was a mistake. I showed him a sheaf of reports from the radio and the press all emanating in sources controlled by the Soviets and Chinese Communists. Actually we lodged this protest, the violent attacks against us stopped for about a week or 10 days, and then resumed with even greater violence.

That is only one example of many that I could give you.

China actually was primarily conquered by the Communists through skillful propaganda which caused the complete demoralization and broke the will of the people to resist.

Senator WELKER. I have one more question, Mr. Chairman.

The CHAIRMAN. Senator Welker.

Senator WELKER. General, based upon your vast experience not only as a military man but as a resident, a long-time resident of China, I will ask you what effect it would have if Generalissimo Chiang Kai-shek should invade the mainland of China? Do you feel that he might have some of the people of China join him—yes, including generals—join him in a fight to overthrow the tyranny that has struck that fine country, heretofore very friendly to us?

General WEDEMEYER. Sir, I think your question could be best answered by a recent example.

After the Korean truce the Chinese Communist prisoners of Allied forces in South Korea were given an unintimidated opportunity to express their will concerning returning to their homeland or to go to Formosa. The vast majority, in fact about 90 percent, went voluntarily to Formosa and 83 percent expressed the determination to join the Chinese Nationalist military forces in Formosa so that they could fight against the Chinese Communists and free their mainland.

For that reason and many other important reasons, too, Senator Welker, I do not believe that Red China should be admitted to the United Nations. The present government of Red China is definitely not representative of the Chinese people. I am confident if they had the unintimidated opportunity to express their desires, they would remove their present leaders and eliminate the alien philosophy, communism.

In my almost 2 years of daily contact with Generalissimo Chiang Kai-shek, he was never guilty of duplicity. I felt that he epitomized the best leadership of China, and I think today that he is the logical and best qualified leader of a free China.

However, Communist propaganda, which was skillfully handled in our own country as well as throughout the Far East, has practically repudiated the generalissimo as a leader. It is true that under his leadership in China, there was malcontent, maladministration, and corruption. However, I believe he was gradually improving conditions for his people, and striving sincerely to create a government responsive to the will of the people. At all times the generalissimo has been a staunch opponent of communism.

Senator WELKER. That propaganda still exists today and is going about the country today; is that not true, General?

General WEDEMEYER. Yes, sir.

The CHAIRMAN. General, from that standpoint: Senator Welker referred to a military action of the Nationalist Chinese Government on the mainland of China. Is it not probably true, from a military standpoint, that the longer that is delayed the older an army grows, the more opportunity the Chinese Communists on the mainland have to consolidate their forces and to lead the people, particularly the younger generation, to their way of thinking?

In other words, is not delay really a detriment?

General WEDEMEYER. Yes, sir; that is true, Senator Jenner. But it would be most unfortunate if the generalissimo's forces went over from Formosa to the mainland prematurely. Before such an operation is undertaken the Chinese people must be prepared psychologically and thus facilitate effective collaboration with the invading forces.

Senator, in that connection, I think that the policy or the plan that has been proposed by the Eisenhower administration, namely, a regional organization in the Far East, would be a very constructive step. The free nations of the Far East should create an organization similar to NATO and in the process integrate to the maximum degree their economies. This would contribute to economic stability, and to collective security.

A Far East organization would greatly strengthen the position of free nations in that area and would help materially in the free nations' struggle against communism.

The CHAIRMAN. General, I have one last question.

In attempting to avoid the catastrophe of a third world war, can we deal with the Kremlin?

General WEDEMEYER. No, sir.

The history of our past experiences proves beyond all doubt that a normal relationship with the Soviet Union and satellites is impossible. It is pure fiction to ascribe to the Communists any capacity or will to keep a promise or agreement in good faith.

Under the present Soviet leadership, with the current objectives of the Politburo, the United States can have no confidence in any arrangement, or in any treaty involving the Soviet Union and satellites.

Mr. ARENS. General, earlier today you gave what I interpreted to be a rather dismal appraisal of the world situation from the standpoint of the security of our Nation. The Senator from Indiana and the Senator from Nevada introduced in the Senate some 3 weeks ago Senate Resolution 247 which called for severance of diplomatic relations with the Iron Curtain governments, and for convoking an international conference of the free nations of the world for the purpose of agreeing upon united action to destroy the Communist fifth column and to resist further aggression by international communism.

Should such a course of action as suggested by these two Senators be taken by our Government, what would be your appraisal of the prospect to avoid the catastrophe of a third world war?

General WEDEMEYER. In my judgment, a third world war would not result from such action, but it is a calculated risk which we must be willing, and prepared to assume.

I think that such action would coalesce the efforts of all free nations that do have compatible objectives and sincerely are determined to protect their great heritages of liberty against aggression, oppression and the enslavement of Communists. It would bring realism to our international situation. Other nations, purportedly on our side would be compelled also to take a position and thus give tangible evidence of their sincerity of purpose and determination to help us destroy the world conspiracy of the Communists.

We cannot buy friends, but we can facilitate realistic collaboration and cooperation of other so-called friendly nations if we adopt a realistic approach and place our American views and aims before the bar of world opinion. We have every right to demand clearcut enunciation on the part of our friends concerning their respective views, aims, and the proportionate contribution in terms of manpower and material that they will make in this world struggle against the Communists, our avowed enemies.

The CHAIRMAN. General, I want to thank you for taking your valuable time to appear before this committee. We appreciate the testimony you have given us here this morning, and I am sure I speak for the entire committee in that matter. Thank you very much.

We will be in recess, to reconvene subject to call of the Chair.

(Whereupon, at 11:45 a. m. Thursday, June 10, 1954, the hearing was recessed subject to call of the Chair.)

STRATEGY AND TACTICS OF WORLD COMMUNISM

TUESDAY, JUNE 15, 1954

UNITED STATES SENATE,
SUBCOMMITTEE TO INVESTIGATE THE ADMINISTRATION
OF THE INTERNAL SECURITY ACT AND OTHER INTERNAL
SECURITY LAWS, OF THE COMMITTEE ON THE JUDICIARY,
Washington, D. C.

The subcommittee met, pursuant to call, at 10:35 a. m. in room 457, Senate Office Building, Senator William E. Jenner (chairman of the subcommittee) presiding.

Present: Senators Jenner, Welker, and Johnston.

Also present: Richard Arens, special counsel; and Frank W. Schroeder, Edward R. Duffy, and W. E. Lowell, professional staff members.

The CHAIRMAN. The committee will come to order.

Mr. Caldwell, will you stand and be sworn?

Do you swear that the testimony that you will give in this hearing will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. CALDWELL. I do.

TESTIMONY OF JOHN C. CALDWELL, NASHVILLE, TENN.

The CHAIRMAN. Will you state your full name for our record?

Mr. CALDWELL. John C. Caldwell.

The CHAIRMAN. Where do you reside, Mr. Caldwell?

Mr. CALDWELL. Nashville, Tenn.

The CHAIRMAN. What is your business or profession?

Mr. CALDWELL. A writer and lecturer.

The CHAIRMAN. All right. Proceed.

Mr. ARENS. Mr. Caldwell, you were formerly Director of the United States Information Service in China. Is that correct?

Mr. CALDWELL. Yes, sir. That is right.

Mr. ARENS. At what period of time did you occupy that post?

Mr. CALDWELL. In 1946 and 1947.

Mr. ARENS. Would you kindly tell us what has been your experience or activity since you relinquished that post?

Mr. CALDWELL. I was sent to Korea first, in the army of occupation, Deputy Director of the Information Services; when the occupation ended I became Deputy Director of the United States Information Service, State Department, and was in Korea in 1950 when the war broke. I returned to this country and have been writing ever since.

The CHAIRMAN. How long were you in China?

Mr. CALDWELL. I was born there.

The CHAIRMAN. How long were you the head of the Information Service in China?

Mr. CALDWELL. I was head of the China Branch for about a year and a half; the whole China program in China for about 9 months; head of all the Far East operations for about 9 months.

Mr. ARENS. During the course of your experience in the Far East, did you have occasion to acquire experience with the Communist techniques, Communist propaganda, Communist strategy for the takeover of the Far East?

Mr. CALDWELL. Yes, sir, very much so. Beginning in 1946 I made a study of Chinese-Communist methods. Since that time in Korea I made similar studies, and since I left Government service, as a writer and lecturer, I have returned twice within the last 9 months to the Far East and have been very much interested, of course, in the whole subject.

The CHAIRMAN. What parts in the Far East did you visit during the last 9 months?

Mr. CALDWELL. I went to Korea, Japan, China, and Formosa in September and August, last, returned to Formosa and the China coast with the Nationalist guerrillas last December and returned here in January, 6 months ago.

Mr. ARENS. You have been in consultation with the staff of the committee with reference to your experiences and have prepared a statement for insertion in this record, is that correct?

Mr. CALDWELL. That is correct.

Mr. ARENS. I respectfully request, Mr. Chairman, that this statement at this point be incorporated in the record and that Mr. Caldwell proceed to highlight the information contained in this statement.

The CHAIRMAN. The statement of Mr. Caldwell will go into the record and become a part of the record.

(Statement referred to follows:)

STATEMENT OF JOHN C. CALDWELL, NASHVILLE, TENN.

Americans were shocked by the germ warfare charges made by the Communists, by the fact that even people in enlightened Great Britain believed these incredible charges against Americans. Yet the germ warfare theme does not constitute any new pattern of anti-American activity on the part of the Communists. Nearly 8 years ago I talked to an American woman who had recently returned from the so-called liberated areas of China—the portions of north and northwest China then held by the Communists. My conversation, as reported to the Department of State, included this statement: "She tells me that the anti-American campaign there has been vigorous, with lurid posters depicting GI rape, murder, and robbery in dozens of forms."

The report from which that sentence was taken was part of a 64-page study of Communist techniques and propaganda lines, made while I was Acting Director, United States Information Service, in China. The report was released briefly, then recalled on that basis that it would cause "friction between the United States and the U. S. S. R."

The germ warfare charges of last year are merely a continuation of a Communist pattern which was revealed in the Far East nearly 10 years ago. The basic pattern seems never to have been recognized, has never been adequately counteracted. It is my opinion, based upon years of residence in China and Korea, that the Communist pattern in eastern Asia has sought to implement two basic objectives:

(1) To create in Asiatics the idea that American soldiers, sailors, airmen, and marines are brutal, corrupt, immoral.

(2) Utilizing American concepts of democracy to develop among Americans the idea that our logical allies in Asia, i. e., the Chiangs and the Rhee's, are

hopelessly corrupt, dictatorial, without ability to command the respect of their peoples.

The cleverness of the Communist technique is indicated by the fact that, whenever possible, Americans have been used in the transmission belts for the spreading of these two ideas. Americans have been used to discredit fellow Americans; Americans have been used to discredit our allies in Asia. The pattern has persisted for nearly a decade. It was used to destroy Chiang Kai-shek's influence on the mainland; it is still used against him on Formosa. It has been vigorously used against Syngman Rhee since 1946. It is probable that the same techniques are used to magnify the failings of the French colonial administration in Indochina. It is my opinion that the same pattern will soon emerge against President Magsaysay of the Philippines.

Before going into details on how these techniques have been developed I would like to point out that the Communist pattern reveals deep-seated fears on the part of the enemy. Americans are discredited, especially American fighting men, because of the fear that subjugated peoples will rally to the aid of Americans (as they did in North Korea) when American military forces confront Communist military forces. The fear of American intervention, even of American support, is so great that the Chinese Communists are even now inundating the China coast area with special anti-American Army leaflets. A few months ago while visiting a Nationalist guerrilla island base off the China coast I was able to secure several anti-American leaflets (floated across in tiny bamboo tubes) and am attaching one photostat of a typical leaflet to this statement in the hope that it might be of interest to the committee. The need to discredit Americans is also indicated by the program of vilification, imprisonment, and worse, directed against American missionaries. Indeed, the American missionary and the American GI share top honors in the Communist vilification parade, and it is not difficult to understand why. The missionary has built for America and Americans a tremendous reservoir of good will, has laid a foundation that communism has not yet been able to destroy. And the American GI represents still, to thousands of hopeful Asiatics, possible liberation and a new life.

I should like now to mention samples of the Communist pattern in action. In 1946-47 I was attached to the United States Embassy in China. During that period United States Marines were stationed in north China. The presence of the Marines was of course vigorously denounced by the Communists. A series of stories began to appear in the leftist press detailing atrocities committed by the Marines. Specifically it was reported that Marines were using Chinese farmers for target practice. The important point to this story is not that the Chinese press carried the story, but that Americans in Shanghai and in Nanking were equally guilty. It was inconceivable to me that American marines or soldiers would use human beings for target practice. I made a trip to north China in early 1947 and personally investigated the situation. I found that one Chinese farmer had been wounded by a stray bullet fired from a Marine target range. From this slender thread, the story had been woven into a first-class scandal, passed on by Communist-inspired Chinese newspapers, by American dupes led by a few Americans who knew exactly what they were doing.

The technique is still being used. Last year a magazine of national circulation published a story about the vast number of illegitimate GI babies in Japan. I do not remember the exact number given, but I believe it was in excess of 100,000. The story was, of course, widely carried in the Japanese press. The implication was clear: American soldiers are immoral beasts. It was only last fall that the truth finally appeared. The Japanese Government itself made a complete survey, coming up with the astonishing figure of less than 4,000 known GI babies in Japan. After years of occupation, after the passage of tens of thousands of troops to and from the Korean battlefield, that is a record of which we can be proud. But for many Asiatics the damage has already been done.

I believe it is possible even to pinpoint the beginning of this particular Communist line. It first began to appear in 1946. A United States military police detachment was stationed in Shanghai at that time. By mid-1946 I noted an increasing number of stories regarding the brutality of American MP's. The stories continued all through 1946. In December of that year I made a detailed report to the Department of State, quoting numerous stories that appeared either in the Chinese leftist press or over the Russian-operated radio station.

It is possible to trace the same technique, used against American troops during the occupation of Korea. There is always a basis upon which the stories can be built and magnified. There are always incidents wherever

large numbers of troops are stationed. The tragedy is that the Communist effort has so often received able assists from Americans and that no real effort has been made to combat this vicious line. Excellent counterpropaganda is available. It could be used by our own Armed Forces, by our own writers and newspapermen, by the Voice of America and its affiliated information services. I submit with this statement a newspaper column I wrote recently concerning the outstanding good done by American servicemen in Korea. The First Corps amputee project in Korea is one of many projects which should be described to the world. It is a story which might have extremely favorable results in India and the other neutralist nations. In Korea alone American GIs have given millions of dollars to alleviate suffering, to rebuild hospitals and orphanages, to rehabilitate a suffering land. Official figures (and these do not include hundreds of thousands of dollars spent or given without official knowledge) show that the men of the 8th Army in Korea last year contributed \$1,290,000 to various causes in Korea. I do not think that it would be out of place to state that this record of giving by American soldiers is better than the record of most of the members of the United Nations who pledged funds for the rehabilitation of South Korea and who now drag their feet on the fulfillment of those pledges.

As far as I know this magnificent story of American generosity has never been told by our information services. It is told in fragmentary form by our newspaper reporters in the Far East. It is a story that can be duplicated wherever American men are stationed. It is a ready-made answer to the decade of vilification directed against American fighting men by the enemy. Why do we not use the weapons we possess?

The Communists have been extremely successful in their second basic objective, the vilification of Asia's anti-Communist leaders. This committee has been instrumental in uncovering the operations of the Institute of Pacific Relations in its effort to undermine the Nationalist Government. I would like to confine my statement to the activities of other Americans, for the most part innocent players in the Communist game, but whose activities even now contribute to the success of communism in the Far East.

Let me cite an occurrence of 3 weeks ago to show how the cause of the free world in Asia is sabotaged by Americans.

There has been considerable Communist activity along the China coast during the past month. On May 20, 1954, the United Press reported in detail the Communist threat to the Tachen Islands. It was reported that all civilians were being evacuated, which was untrue. The Tachen Islands were described in the UP story as the "classic invasion bridge to Formosa." No statement could be more false. The islands have never been an invasion bridge to any place. But the implication is clear: the Nationalists are about to lose their most important China coast holdings; the defense of Formosa is threatened.

The UP has presented the Chinese Reds with a tremendous propaganda victory through its inaccurate reporting. The Tachen Islands are the least heavily defended islands along the China coast. Indeed, the decision to even attempt a buildup was not made until last December. The total area of all 30 islands in the group is 30.7 square kilometers. The total population of all the islands is 18,500. Most of the islands are not even populated or garrisoned, their defense is extremely difficult because of the distance from Formosan airfields and proximity to Communist air and naval bases. The islands are of such relative unimportance that when I visited the guerrilla outposts a few months ago I did not include them in my itinerary. How is it possible that these islands suddenly become so vitally important? They can be taken; but if the Communists do decide to invade, what should be an unimportant skirmish among the never-ending skirmishes along the China coast will become a victory of tremendous importance, all because of inaccurate American reporting.

American action in the Far East has been hampered for a decade because the Communists have been supremely successful in poisoning the minds of Americans against the very leaders in Asia who have had the courage to fight communism. And Americans have had a large part in the campaign: American writers, correspondents, even a few missionaries.

I believe that 75 percent of the editors—newspaper and magazine—in America are so prejudiced against Chiang Kai-shek and Syngman Rhee as individuals that honest coverage of Free Asia is almost impossible.

Since last August I have made two trips to Formosa and have had an opportunity to study the Nationalist rural reconstruction program on that island. It

is a magnificent effort; it might well be a blueprint for Asia's salvation. The JCRR program, as it is called, is a joint Sino-American operation. Up to 90 percent of the funds used on the hundreds of projects is local money. Less than \$14 million in appropriated American dollars has been used in a program that has brought real land reform to the people and has revolutionized rural life on Formosa. American personnel total just 13 experts. Here to my mind is foreign aid at its best, its success based upon cooperation and local initiative rather than upon vast handouts.

When I returned to this country I talked to a number of editors about the Formosa story. One editor immediately countered with a positive statement: "But everybody knows all the Formosans hate Chiang." There we see it: Unreasoned prejudice, a blind refusal to even listen to the truth—and the outstanding Communist success in the Far East.

The Communist program to discredit the Chiangs and the Rhee has been extremely successful; it has hamstrung American policy in Asia. The program has been diabolically conceived, its success due to Communist exploitation of the very principles which we believe in. We take for granted that our freedoms should be and can be applied all over the world. We dislike corruption, chaos. But what so many naive Americans, abroad for the first time, cannot understand is that Asia is emerging from medievalism. How can we honestly blame Nationalist China for some of its ills, if we realistically appraise the problems of that land, the lack of communication, illiteracy, superstition, years of civil and foreign wars? How can we honestly expect Korea to emerge overnight as a model democracy—after 40 years of Japanese domination in which every vestige of Korean leadership was destroyed or driven into exile? How can we expect South Korea, faced with a million-man Communist Army, with thousands of guerrillas and saboteurs within its very borders, to have today all of the freedoms we Americans have developed during 175 years?

The Communists have made use of American naivete to so poison the minds of editors, writers, and publishers and Foreign Service personnel that it is difficult to make an honest decision today on either Nationalist China or Korea. The Department of State, like our courts, operates on a body of precedent. When it is necessary to draft a cable of instructions, an officer goes into the files to see what has been done, what has been reported and advised previously. The files are stacked today with anti-Chiang, anti-Nationalist material. The same situation prevails with respect to Syngman Rhee. Until several years have passed during which we have objective, anti-Communist reporting it will be difficult to expect decisions and actions favorable to our friends in Asia.

Newspapers, magazines, and book publishers suffer in a similar manner. For years Edgar Snow was a prominent editor of the Saturday Evening Post. His pro-Chinese Communist bias is well known. But what has not been recognized is the influence he left behind. The "body of precedent" he bequeathed has undoubtedly had a profound effect upon the Post's selection of articles. As far as I know there has never been a best selling or even moderately well selling book on the Far East basically favorable to our logical allies. There have been numerous books on the other side. These titles have been vigorously promoted and have sold well. This has been the pattern since *Thunder Out of China* by White and Jacoby became a best seller and a Book-of-the-Month Club selection in 1945 until the most recent effort to smear Chiang bookwise appeared in the form of a book titled "A Pail of Oysters" by Vern Sneider. Published last fall, this thoroughly dishonest book received rave reviews. In the Saturday Review of Literature it was reviewed by one Pat Frank who stated that the book cast "a bright light thrust into the infected peritoneum of Formosa * * * it is a true light." Mr. Frank says that the Nationalists are rightly described as "swine" and concludes his review with the statement that anyone who reads *A Pail of Oysters* will understand "why all of our money and all our men can't put Chiang Kai-shek together again." Also published last fall, *Formosa Beachhead* by Geraldine Fitch is a factual, honest account of the tremendous progress made on Formosa, of the promise this progress holds for the mainland of China. Mrs. Fitch's book has been ignored by the reviewers, has sold less than 3,000 copies.

The prejudice extends into purchases of books, not only for United States information libraries, but for libraries in this country. The Library Journal is a magazine devoted to news of library developments in America with a circulation largely limited to librarians. Each issue devotes considerable space to evaluations of recent books. Each evaluation generally ends with a statement recommended or not recommended. A study of this magazine reveals some

startling facts about what books are being recommended to libraries. For instance, Dr. James Burnham's *The Web of Subversion*, which deals in considerable part with the work of this committee was not recommended. A book by Louis Bromfield which denounces our past foreign policy, our spending program abroad, our neglect of Asia, was not recommended. Obviously *Formosa Beachhead* was not considered a good book for our libraries; for as far as I have been able to ascertain it was not even listed. A study of the past year's issues of this one magazine reveals the extent to which someone has gone into influencing the selection of books for American libraries. As important as books ignored or not recommended is the list of those which are recommended. They include most books which make a plea for recognition of Red China on the basis of reality, or advise us that we must not offend Mr. Nehru of India. Chester Bowles' book, the works of Norman Cousins, of Justice William O. Douglas are all recommended. Mr. Theodore White's new book *Fire in the Ashes* (again selected by the Book-of-the-Month Club) and a book which advises, among other things, appeasement of the Communists is heartily recommended. As a part of the general pattern, Elmer Davis' book *But We Were Born Free* is also recommended.

The simple truth is that today it is well nigh impossible for the truth to be told about the Far East. Only a handful of publishers are even willing to attempt publishing a book honestly, objectively favorable to our allies. Very few magazines of national circulation will carry similar articles. The situation is becoming somewhat better with newspapers, but the deck is still stacked against the Nationalists—and against a realistic American foreign policy.

I do not mean to issue a blanket denunciation of all who write on the Far East. Reporting on this part of the world is difficult. Among other problems there are those of language. The Communists themselves have made excellent use of the situation, have moved in brilliantly and today have their agents among the intellectuals with whom American writers are most likely to come in contact. For years the Communists have had men and women who speak fluent English available to help plant favorable news among American writers. One of their most proficient agents, one Miss Kung Peng, was stationed in Chungking during the days of the Marshall mission. She was attractive, vivacious, always willing to help an American reporter get "facts." She was considered so important a contact that when I was sent to China on a brief inspection trip by the Department of State in 1946 I was rushed from the plane in Chungking directly to her home so that I could have dinner with her and could get the "facts" straight. Incidentally the dinner engagement was made without my knowledge, by members of the United States Embassy staff. On the same trip I spent 4 days in Peiping. The main engagement arranged for me there (by Embassy officials) was for a dinner with Huang Hua, another smooth Communist operator. Huang speaks English, is suave and polished and had profound influence over many Americans. The importance of both Kung Peng and Huang Hua is indicated by these facts: Huang appeared at Panmunjom as a very important Communist negotiator; both Hunang and Hung Peng are now in Geneva, in charge of Communist public relations. Yet during a crucial period in the Far East these 2 people influenced 90 percent of the Embassy staff, fed news to 90 percent of the press corps.

Today the pattern cannot be developed so openly. The Communists place their operators among the Chinese, Korean, Indochinese newspaper men and women with whom our writers come in contact; they infiltrate the United States Information Service which often has the function of assisting foreign writers.

While I do not issue a blanket denunciation of all our news gatherers, I think it would be exceedingly naive to believe there are no Communists among present American writers active in the Far East. One recent example is the case of William Powell, former OWI official in China, later editor of the *China Review*, who stayed on in China after the Communists took over and used his paper to attack his own country along typical Communist lines. I have seen one issue of the *China Review* devoted almost entirely to American atrocities, with pictures showing the mass graves of thousands of Koreans supposedly massacred by American soldiers. Mr. Powell and his wife, who was active in Communist activities in China in 1946 and 1947, returned to this country from Shanghai a few months ago. It might be of interest to state that I heard a suggestion made in the Far East that the Powell return, coinciding as it did with the return of American POW's, was not merely by chance. Perhaps the present Powell assignment is to guide the activities of the so-called progressives among the POW's.

I think it important to call attention to another minor technique developed by the Communists in Asia. The American who speaks a native language—the son of missionary parents born in China, for instance—has always been the special target of the Communists. This has been especially true of Americans who speak fluent Chinese. Every effort is made to sell such Americans on the Communist point of view. The program began during the war and was directed at those of us employed by the Department of State or in the OWI. I know from personal experience that every effort was made to indoctrinate us for we were considered “China experts” and thus would, according to the Communists, have wide influence in our Government and among the American people. It is my opinion that much of the indoctrination, much of the selling, was the function of the IPR. As far as I was personally concerned the campaign even went so far as outright propositions to engage in questionable activities. This technique is still employed against the American Embassy official or the USIS employee who speaks Korean or Chinese. However, as far as I know, this danger has never been recognized by our authorities.

The Communist techniques which I have mentioned may seem obvious but I do not believe the importance of these techniques has ever been recognized. The Communists have been so successful as to virtually paralyze American policy in Asia. Our friends in Asia are becoming more and more confused. They hear our oft repeated announcements of vigorous anti-Communist policy. Then they discover that no book in America can become a good seller if it is favorable to our friends. They hear us talk of stopping communism in Asia, then wonder why policy forbids aid to the 150,000 Nationalist guerrillas and regulars garrisoning the islands along the Communist-held China coast. They wonder at the honesty of American reporting when the leading news magazine in America reports one week that President Syngman Rhee has ruthlessly stamped out all opposition prior to the Korean national election, then read a few weeks later that the opposition, supposedly stamped out, was such that Rhee could not get the majority support he plead for. They cannot understand how an American columnist can come to Free China for 3 days, making no attempt to even visit the guerrilla held islands, and can then report to millions of Americans that there are no Nationalist guerrillas. It is particularly puzzling for the free peoples of Asia to note American preoccupation with Prime Minister Nehru, to realize that the great bulk of writing on Asia is favorable to a man who has done little in the way of reform for his own country and has blinded himself to the realities of communism. It is almost impossible to understand why a great succession of books and articles praising Communist land reform in China are eagerly read and accepted while the real land reform programs of Formosa and South Korea are ignored. Above all it is impossible to understand how the United States can promote a vast alliance in Asia and not include the Free Chinese and the South Koreans, the only effective anti-Communist fighting forces in the Far East.

How can this situation in the Far East be remedied? I believe the ending of diplomatic relations with Communist nations would be the logical first step. We must somehow learn the totality of Communist plans, must realize that we are already engaged in a death struggle, that continued adherence to diplomatic form and nicety is senseless.

I believe the great newspapers, news services, magazines and publishers of this country have a duty to set their houses in order, must be made to recognize the part they have unwittingly played in Communist successes.

We must have better training and orientation among all who serve us overseas. In 1950 we had nearly 2,000 Americans attached to our high mission in South Korea. People were sent to Korea without the slightest training, without even a remote conception of the forces at work in Asia. There is still, even after the Korean war, little realistic orientation for the men and women who serve us in countries like Korea, Japan, and Free China. There is little understanding on the part of our authorities that a mere clerk or stenographer can be a person of immense importance, can either make friends or can make enemies for us, can unwittingly become a link in the chain of Communist conspiracy.

There is little realization of the manner in which the Communists seize upon any disreputable American action to build their propaganda line that Americans are a brutal, corrupt, and money-mad people. There is for instance allegedly a vast prostitution ring in operation in Okinawa with 15- and 16-year-old girls brought into Okinawa from outlying islands to service American soldiers. It has been reported to me that some of the American Army personnel are supposed

to be involved in the operation of this ring. Indeed, it would be impossible for such a ring to continue unless Americans are involved. This is the type of ammunition the Communists need and use to discredit us; but I have been informed that the true situation is that the Army has made no effort to stamp out the prostitution business in Okinawa.

The United States must even be careful of the manner in which its officials and employees live, for high living is grist for the Communist mill. The manner in which American personnel lived in Korea in 1950—free houses, free utilities, cut-rate gasoline, free servants for a long period—was time and time again used by the Communists to prove their contentions about us. And at the risk of sounding prudish, I might say that the heavy drinking, cocktail type of society encouraged by the State Department abroad does not in any way help us in our fight against communism.

Finally, I believe the best possible orientation for Americans who are to serve in this crisis in the Far East, whether they be diplomats, point 4 experts, or newspapermen, would be a refresher course in American history. Americans are justifiably proud of the real democracy we have developed. But that very pride is used against us by the Communists. Insidiously they point out that Syngman Rhee or Chiang Kai-shek does not allow this or that. But how many of us realize that our own democracy did not develop overnight? The liberals in this country often point out that some (they say many) of Chiang Kai-shek's generals were dishonest, that quartermaster stores were sold by the generals, that the troops were starved. Yet, during the Civil War, there were 89,000 desertions from the Federal Army of the Potomac—because there were so many dishonest generals who pocketed the money given them to pay the troops and, rather than starve, the troops deserted.

It is necessary only to read Civil War history again to understand how imperfect we were just 75 years ago. Much of the Far East is emerging still from the Middle Ages. We cannot expect countries with tremendous problems of illiteracy, of communication, of superstition, to overnight become model democracies. And with all their failings, the governments of Nationalist China and South Korea have given their peoples a way of life and a government immeasurably better than anything offered anywhere by communism.

[From the Topeka (Kans.) State Journal, November 26, 1953]

DISILLUSIONED ASIA NEEDS HONEST BOOKS

(By John Caldwell)

Mr. Caldwell, author of "The Korea Story" and "China Coast Family" is a former State Department official. He was born on the China coast—son of a missionary—speaks the Chinese dialects spoken on Formosa. He also speaks Korean. His present reports from the Far East have special value because he can communicate with locals in their language. His China Coast Family is a major book club selection for December.

Tokyo.—The old folks are slow to alter their ways in this part of the world. It is among the young that one sees startling change, almost a "be merry today for tomorrow we die" attitude. The reason for this is that for many there seems no out, no peace in sight, no future worth waiting or preparing for.

The Communists are quick to sense the cultural vacuum, quick to capitalize on the moral and spiritual breakdown. Their approach is double-barreled. They appeal to the old people by pointing out imperialistic America as the cause for the moral breakdown of the young. For the youth there is a flood of propaganda offering hope for the hopeless, a future for those now lost in uncertainty. Nowhere than among Japan's book stores can one see better how the Communists are attracted by the vacuum. The Communists have opened their first lending library in Tokyo. Communist books, both hard-backed and inexpensive editions, are available throughout Japan. Prices are tailored to fit the pocket-book; in a student district handsomely bound books from Russia can be bought for a quarter. The same book may sell for 2 or 3 times as much in a well-to-do neighborhood. U. S. News magazine reports that 2 big books The Works of J. V. Stalin, and Problems of Leninism, have sold 50,000 and 60,000 copies respectively at 55 cents per copy.

It has become fashionable for American reporters to blame this interest in Russia and our own propaganda failures either on Senator Joe McCarthy or on the fact that funds for State Department libraries have been cut. This is utter nonsense. State Department libraries have never reached the mass of people. The choice of books available has been such as to provide an understandable answer to the appeal of communism.

The Russians, for instance, permit anyone to translate and market their books. The legalistic American Government frowns on any publication not in accordance with copyright laws. Little effort is made to push for translations into local languages. USIS libraries in Korea have never carried books in Korean and it seems never to have occurred to our Government that royalties in Korean Whan would be useless either to American author or publisher.

It is the native student, returned from America, who most easily slips into Asia's cultural vacuum. This student comes back suddenly to the squalor of Korea after living in America for a year or two and enjoying our standard of living, viewing our legal processes, and our freedoms. He finds it difficult to make a living, oftentimes impossible to put his learning into practice. I talked to one such bitter, disillusioned, drifting student. He made a request that would shock the Department of State. "Can't you send me an honest history of America?" he asked. "I know that democracy did not develop overnight. I know you have had your problems, your corruption, your civil war. If we Koreans could read your history as it actually developed we would not expect miracles here, we would be more patient."

When will we Americans realize that democracy cannot develop overnight, especially in countries torn by subversion and war? When will we realize that most of the world does not read English? When will we understand that what many Asiatics need is not a bright, beautifully illustrated story of America at its best but an honest story of our struggles before we became as we are—and one that admits that we are still far from perfect.

Instead of blaming Joe McCarthy and Congress, it might be well to remember an old Korean proverb that says:

"When a man slips and falls into the river it is foolish to blame the river."

[From the Shanghai Evening Post, Shanghai, Monday, January 27, 1947]

U. S. S. R. HIT FOR ANTI-UNITED STATES TREND HERE

(By Paul Harrison)

WASHINGTON, Jan. 26.—Russian propaganda in the Far East, directed chiefly against the United States, is mainly responsible for the mounting anti-American feeling, the State Department was informed today.

John C. Caldwell, United States public affairs officer in Shanghai, has reported to the State Department that the Soviet radio stations, newspapers, and books are bitterly attacking the United States in China as well as in Eastern Europe.

Caldwell said that the Russians maintain a radio station in Shanghai which announces itself as the "Voice of the Soviet Union," despite the Chinese Government's ban on foreign stations.

PROGRAMS SLANDEROUS

"I have listened to some of its news programs and they are very slanderous. Attacks against American activity in the United Nations, against our occupation policies in Germany and Japan, and intervention in China are common," Caldwell declared.

The American public affairs officer said that he had recently talked to an American woman who had returned from Yenan. He said: "She tells me that the anti-American campaign there has been vigorous, with lurid posters depicting GI rape, murder, and robbery in dozens of ways."

FOR HONGKONG BY SHIP SATURDAY

Caldwell reported that although the United States, Britain, France, and Australia as well as Russia have information offices in Shanghai, the Russians are carrying on the most active program.

He said that the Russians are publishing four newspapers and that, in addition, there are half a dozen Russian-owned bookstores and publishers in Shanghai.

INTELLECTUAL "SHOPPING"

Caldwell said that the Chinese youth is tremendously interested in the United States, but they are also interested in Russia, and they are doing lots of intellectual shopping around.

Caldwell warned that the United States officials need better teamwork between the information and the diplomatic services.

[From the Pontiac Press, Friday, December 18, 1953]

GI'S HELP CARE FOR KOREA'S HOMELESS, MAIMED CHILDREN

(By John C. Caldwell)

John C. Caldwell, author of *The Korean Story*, former State Department official, tells how American GI's are winning the friendship of the Korean people through their aid to children left homeless or maimed in the Korean war.

SEOUL.—The American GI has done many things for which he has never received credit. He makes news only when something bad can be pinned on him.

For instance, he can be accused of creating Korea's huge army of "U. N. madames"; he has fathered many an illegitimate child, for whom there is also a new phrase in the Far East: "U. N. Baby"; he is not always a good ambassador for America.

But the other day in Suwon, south of Seoul, I visited a hospital, 1 of the 4 serving a population of over 2 million. It wasn't much of a hospital, to be sure. But what there was of it was in operation because the men of an Engineering Service Battalion nearby had presented the hospital with a gift of \$5,300.

In the same city there is a Children's Nutritional Center—built with an \$8,000 gift from the men of a nearby airbase.

Nowhere is there a better indication of American Army generosity. Nowhere can be found a better answer to Communist charges of germ warfare. I refer to the Severance Hospital in Seoul.

In this American missionary hospital there is a project for the amputees of Korea. It began because of the compassion of an American general. It has developed because of the generosity of thousands of American soldiers. It is efficiently administered by American nurses, doctors, missionaries of numerous faiths and creeds.

Gen. Paul Kendall, commanding general of the United Nations I Corps, one day saw a Korean child, both arms blown off by a mine. He was disturbed by the sight, especially since he knew many others had suffered similar wounds.

General Kendall sent word down through division, battalion, and regiment asking donations to help the child amputees of his command area. The response was startling; a total of \$76,000 was raised in short order.

Today the \$76,000 has grown to \$81,000 and is held in trust in a New York bank. The money is spent in Korea by an interreligious board made up of Catholic, Methodist, Presbyterian, and Seventh-Day Adventist missionaries and two Army officers. Actual operations are centered in Severance Hospital. There children and adults receive the surgery necessary before artificial legs and hooks can be fitted. Then they are trained in the use of artificial limbs.

When this training is completed, the patients old enough to work are taught a trade in which their artificial limbs will not handicap them.

There are 22,000 amputees in Korea. Through the magnificent I Corps project and the Korea Amputee Service with which it is affiliated, the amputees of the land will be spared a life of beggary.

I was standing in front of Severance Hospital with Paul Kingsbury, young Presbyterian missionary in charge of making artificial limbs, when a Korean boy in his teens rode up on a bike. He nimbly dismounted and walked into the building. Kingsbury turned to me and said with pride, "There is one of our boys. We made his artificial legs; we taught him to use the legs; we have taught him to make a living."

Your correspondent is probably not well versed in psychological warfare. But it would seem to me that this story, the many other stories of GI generosity might well be told in the United Nations, might very well be broadcast to the world by the Voice of America.

[From the Roanoke (Va.) Times, December 8, 1953]

WHO WRITES FOR AMERICA?

By John C. Caldwell

Mr. Caldwell, author of the Korea Story and China Coast Family, is a former State Department official. He was born on the China coast, son of missionary, speaks the Chinese dialects spoken on Formosa. He also speaks Korean. His present reports from the Far East have special value because he can communicate with locals in their language. His China Coast Family is a major book club selection for December.

KOREA.—Robert Sherrod, writing in the Saturday Evening Post, recently stated that all the Far East distrusts American morality because of our use of the atom bomb. This statement ranks right along with another, commonly seen in our better publications. It is the statement that American prestige has suffered a great blow because of the activities of Senator Joe McCarthy.

Sherrod may be speaking for Mr. Nehru but not for the rest of Asia. Recently I have talked to hundreds of people in Korea and Formosa in their native languages, and also in Japan. Only one man, of his own accord, brought up the subject of McCarthy. This man was bitterly critical. He was also scathing of Syngman Rhee. He proudly announced that he was a neutralist.

The American correspondent who reports that the Far East is suspicious of us because of our use of the A-bomb or because of Senator McCarthy is simply not reporting all the facts.

There is in every country a thin layer of intellectuals who make such statements. Generally these same people advocate trade with Red China, recognition for the Chinese Communists, and their speedy seating in the United Nations. Many belong to that bewildered new group who call themselves neutralists.

The writings of some American correspondents are bewildering to many orientals. A biased reporter can usually find some facts to bolster his views. There are bitter and dissatisfied people everywhere.

But to many orientals it seems that Americans should attempt to get all the facts from people representing all groups before risking generalizations.

I did not find a single oriental who had lost faith in our morality because we have used or might use the A-bomb. Indeed, I found the opposite to be true. Perhaps this was best expressed by an educated Korean who said: "My wife and I are without much hope. For our children there is hope for we expect to get them to America. For us, maybe 5 more years, or perhaps 10. Then all will be lost unless you are willing to use your atomic strength, unless you realize that it is strength alone that the other side understands.

The orientals are realistic, and in their eyes it is not immoral to use maximum strength against an enemy. For them death by machinegun or conventional bombs is equally permanent. And as one Korean, working in an orphanage where 152 children were burned to death by jellied gasoline bombs (dropped from American planes) pointed out, "there are deaths more painful than death from an A-bomb. At least that is instantaneous."

There is a tremendous need for honest reporting from the Far East, as difficult as that is to accomplish. The shallow judgments of many correspondents was expressed for me one morning at breakfast in the Eighth Army correspondents' billet in Seoul.

A reporter for one of America's largest news agencies had his solution for all our problems in the Far East.

"What the Far East needs," said my breakfast companion, "is three good heart attacks: one for Chiang Kai-shek, one for Mme. Chiang, one for Syngman Rhee."

It is time we began to answer the questions: Who speaks for America? Who writes for America?

看！美帝國主義在朝鮮的慘敗說明了什麼？！

美帝國主義，在一九五〇年六月間，帶領着十幾個僕從國家發動對朝鮮的侵略戰爭，本想一舉成功地滅亡朝鮮，進而侵略中國、蘇聯以至整個亞洲；可是中國人民的鐵拳，粉碎了它的如意算盤！從中國人民志願軍出國作戰，到今年十月十五日止，兩年來，美帝國主義喪失侵略軍隊六十六萬多，被擊毀、擊傷飛機七千三百餘架，損失坦克二千餘輛，損失各種大砲四千二百餘門。物資的大量損失，還是小事，更嚴重的，是侵略軍隊的粉飾被消滅，廣大士兵和下部軍官的厭戰、反戰情緒越來越普遍，使得從鴨綠江邊被趕回到三八線附近的侵略軍狼狽不堪，進而不能，退又不放。最近，正當聯合國大會和紐約召開時，美國侵略軍的頭子之一范佛里特，調動了大批軍隊，對全化地區發動了一年來最大的一次攻勢。原是打算給美國侵略者撐腰固陣頭子，並給僕從國打打氣，再騙他們國家的人民當炮灰。可是范佛里特辛辛苦苦攻擊了一個多月，得到的結果，却是：損失侵略軍隊兩萬多人，被擊落擊傷飛機二百餘架，消耗掉大量裝備和物資，仍被阻止在它們進攻的出發地，不能前進一步！

齊軍弟兄們！美帝國主義在朝鮮的慘敗，說明了什麼呢？

這說明了美帝國主義妄想滅亡朝鮮、侵略亞洲的陰謀破產了，陰謀發動世界戰爭、侵略世界、奴役世界人民的計劃被打亂了！因為它的戰爭本錢——侵略軍的主力大量喪失，而剩下的却如深溝薄底，鑽不出來；並因為慘敗，它的僕從國家也一窩心離德一起來；特別是它在朝鮮屠殺人民的罪惡，引起世界人民的公憤，使它越來越孤立！

這說明了蔣介石依靠第三次世界大戰，跟在美帝國主義屁股後面「反攻大陸」的迷夢，已經做不成！蔣介石依靠美帝國主義恢復大地主、大資本家對廣大人民統治的卑賤陰謀已經破產了！

這說明了美帝國主義是個紙老虎，中朝兩國人民強大無敵。新舊帝國主義陣營背後的英國侵略者，還加上十幾個富強國家，即被朝鮮人民軍和中國人民派遣的一支志願軍，打敗得如此狼狽，要是它胆敢冒險發動侵略世界的戰爭，那麼結果將是它的紙老虎化成灰燼，整個帝國主義陣營完蛋！

中國人民解放軍福建軍區政治部

MR. ARENS. Kindly, in an extemporaneous manner, summarize here the high points of this testimony which has now been inserted in the record.

MR. CALDWELL. Let me state first, as I did in my statement, that the brain washing, the germ warfare charges, the things that have come up within the last few months, the last year and a half, are not, as many Americans seem to think, new techniques and new strategies.

As I have watched the Communist strategy in the Far East, it has become apparent to me that their one aim is paramount, and that is to discredit by every means possible the American soldier. I think that is an important thing because it shows a basic underlying fear of American intervention.

Now, beginning in 1945 and 1946, this campaign started, directed first against the United States marines in north China, against the military police detachment in Shanghai, accusing Americans of all sorts of brutality, of rape, of robbery; and the germ warfare charges are the outgrowth actually of this whole aim to try to discredit Americans abroad.

Now, I think that we often, through our own magazines and newspapers, help the Communists a great deal in that very point. I mentioned in my statement the fact, for instance, that a national magazine last year, I believe it was, had a feature story claiming that there were over 100,000 illegitimate GI babies in Japan alone. That sort of thing is grist for the Communist mill.

It turns out that the Japanese Government itself has been able to locate less than 4,000. So you can see how uninformed reporting can have a bearing, can actually help the Communists in their efforts.

Now, the second paramount aim, and one that has been terribly successful, has been the program to discredit the people who must be our allies in Asia. By that I mean the Chiang Kai-sheks and Syngman Rhee's. This program has succeeded to such a degree that today there are only a handful of magazines in America that will even think of taking a pro-Chiang or pro-Nationalist story. The prejudice is so tremendous that you find practically all of our correspondents in the Far East steeped in the prejudice. If they do go to Formosa, if they go to free China, they have no inclination to get at the truth, because they have so much prejudice.

THE CHAIRMAN. Didn't the tempo for that propaganda originally come out of our State Department when they tried to sell the fact that the Communists were just agrarian reformers?

MR. CALDWELL. That was the beginning. Since then the idea has been to try to make us believe, playing on our own belief in democracy, that the Chiangs and the Rhee's are not democrats because they do not have democracy as we see it, not taking into consideration the tremendous economic factors these leaders face, the factors of active internal rebellion going on which we do not have in this country.

Now I find the program is beginning to be directed against other countries. I have a copy here of a little magazine that I like. It is a liberal magazine that is normally very good, the New Leader. They have a feature story on corrupt fascism in Thailand. The Thai Government is raked over the coals. It would be my guess that we would soon be hearing that President Magsaysay is not a good man.

It is all part of the program to prejudice the public opinion against the leaders in Asia who have been staunchly anti-Communist.

Mr. ARENS. Do you have any opinion respecting modes by which American officials in the Far East have been subjected to this slanting of views by people who are Communists or under Communist discipline?

Mr. CALDWELL. Yes, sir; I do. There were two very powerful personalities in the early days right after the end of the war, Chinese Communists, one young lady by the name of Kung Peng, another a Chinese gentleman by the name of Huang Hua. Both of these people were attractive. They were intelligent. They spoke good English and they had nice personalities, and they became almost the major sources of news as far as our Government or our correspondents were concerned in 1946.

As an example of how important Miss Kung Peng was, I made a trip to the Far East in January of 1946 for the State Department. I arrived in Chungking late in the afternoon. Chungking was still the capital. I was whisked immediately to Miss Kung Peng's apartment for a dinner which was attended by various State Department people. The idea seemed to be that she was very important as a source of news and that I should immediately get her side of things.

The CHAIRMAN. Let the record show that Senator Welker is in attendance at the hearing.

Mr. CALDWELL. I mentioned that when I went to Chungking, I was immediately whisked over to Miss Kung Peng's apartment. Then I went to Peiping on that same trip, Huang Hua was considered of such importance that I had a dinner set up with him by a State Department local personnel. I think it interesting to note that both of these characters who had so much to do with getting news out to us back in '45 and '46 are now at Geneva. Huang Hua was at Panmunjom playing a very important background part in the negotiations there.

The CHAIRMAN. Who was at these dinners, if you will recall?

Mr. CALDWELL. I don't recall the Peiping one, but at the Chungking one I recall was Mrs. Wilma Fairbank who was our cultural attaché at that time and Mr. John Melby who was our first or second secretary. I forget his title.

Senator WELKER. You said cultural attaché. What duties does that embrace?

Mr. CALDWELL. The cultural attaché had charge of our libraries, our exchange of student programs, visiting directories for the United States, and things of that kind.

The CHAIRMAN. Do you recall anyone else at that dinner?

Mr. CALDWELL. Those are the only two I recall.

The CHAIRMAN. How many other people were in attendance?

Mr. CALDWELL. There were a couple of other Communist functionaries; I think, but I am not sure, that Chou En Lai was present. He was often present during those days. Again he was a suave gentleman, witty and intelligent, and was considered a source of accurate news by some of our own people.

Mr. ARENS. Is it your testimony that these two Communist agents and others were a source of news and a source of information for the American officials who were in China representing our Government?

Mr. CALDWELL. Very definitely.

The CHAIRMAN. And also for news reporters?

Mr. CALDWELL. Also news reporters.

Senator WELKER. May I have the question?

The CHAIRMAN. Senator Welker.

Senator WELKER. Upon what facts do you base that, Mr. Witness, can you tell us?

The CHAIRMAN. He gave us the background earlier, Senator. He was with the State Department during this period of time.

Senator WELKER. Did he see anything of this?

Mr. CALDWELL. Yes, sir.

Senator WELKER. You saw the news releases come out?

Mr. CALDWELL. Yes, sir.

Mr. ARENS. Did you know a man by the name of William Powell, former OWI official in China?

Mr. CALDWELL. Yes, sir. I have known him, for I would say, 10, 12 years.

Mr. ARENS. What did he do in China and who is he?

Mr. CALDWELL. He was the son of a very well-known American newspaperman in Shanghai, a very fine man who was imprisoned by the Japanese, who was the very best type of American. And William Powell's son went into the OWI in 1943, in charge, I believe, of our news branch. He was transferred to the State Department and in the Executive order at the end of the war, stayed only a short time, and then returned to Shanghai to start his father's paper, called the China Review.

Now, I met him several times since the war. When the Communists took over Shanghai he stayed on, much to my surprise and the surprise of others who knew him. His magazine immediately became a violently anti-American magazine, a mouthpiece of the Communists, and I have gotten access to a few copies as an illustration of the type of thing that he has done.

This particular issue is devoted to American atrocities in Korea, a typical caption, a picture of a mass grave. The caption states that this is a picture of the approximately 10,000 Korean civilians who were murdered at the town of Hawon by American troops during the occupation. Mr. Powell also began in the latter part of 1951 to issue lists of American prisoners in his magazine, with the hometowns, and the magazines, I found as I traveled around the country in the last 2 or 3 years, were mailed to these parents as a method of getting Communist propaganda before them.

Senator WELKER. Mr. Chairman, may the record show that the task force that you assigned me to has that information in a record of a prior hearing.

The CHAIRMAN. Yes. Go ahead, Mr. Caldwell.

Mr. CALDWELL. Shall I go on with this?

Senator WELKER. I just want to make that observation.

Mr. CALDWELL. Mr. Powell returned suddenly to this country last August, I believe, and I heard suggestions on my trips to the Far East that his return coincided with the return of our few progressive prisoners, perhaps for a reason, perhaps to guide the activities of those progressives.

Now, Mr. Powell was in Peiping, we know, some time during the summer of last year, and it is apparent that he has talked to some of the prisoners in north China.

Mr. ARENS. While you were in the Far East as Director of the Information Service, did you have occasion on which the so-called China experts from the State Department were sent to the Far East to indoctrinate you and others in what the line should be?

Mr. CALDWELL. I think there was more indoctrination here in Washington than there was actually in the Far East. Now, there was a vigorous, of course very vigorous, anti-Chiang, pro-Communist group in our foreign service in China without question, but there was a great deal of indoctrination which actually started here before the war ended.

Mr. ARENS. What was the line?

Mr. CALDWELL. The line? I remember particularly two cases of two downed American B-29 pilots. You may remember that there was a period when we bombed Japan from a base in western China, and these pilots were brought to the State Department and OWI far eastern meetings to discuss and describe how they were saved by the Communists, by the magnificent resistance work by the Chinese Communists, and I would say that that indoctrination was done in that way to try to show us that the Communists were actually helping more than the other side; that they were fighting more real battles. I remember those two incidents in particular, which I attended.

Mr. ARENS. Did you have contact with the Institute of Pacific Relations in the Far East, or did you have occasion to observe its operations?

Mr. CALDWELL. You couldn't be in the OWI or State Department in that period and not have contact with the IPR. It was impossible.

The CHAIRMAN. What do you mean by that, Mr. Caldwell?

Mr. CALDWELL. To give you an example of what I mean, in 1943 and 1944, when OWI employees for the Far East, particularly for China, were employed, we were brought here to Washington from the New York overseas office for orientation, and the orientation consisted of your seeing two people. The two people were Mr. Laughlin Currie and Mr. Owen Lattimore, only the two. From those people we were to get our basic philosophy, you might say. I must be fair and say that I can't remember that Mr. Lattimore gave me any bad philosophy at the time, but I was very naive, as most of us were. We thought in terms of the war in which we had one enemy which was the Japanese, and were enlisting to fight that enemy and only that enemy.

There was another way in which the IPR had a great bearing on most of our work. That was that it completely controlled all Far Eastern activities of the OWI to the State Department, to the branch chiefs, and later officials who were formerly IPR members, and I could list several of those to give you an example.

The CHAIRMAN. Would you list them?

Mr. CALDWELL. The China Radio Branch in San Francisco was headed by an IPR man. The Philippine Branch was headed by an IPR woman. The Indochina Branch was headed by an IPR person. The China Branch was headed by an IPR person.

At the time the coordinator for the Far East was an IPR person. The coordinator in the New York office in charge of Security in the

New York office for the far eastern branches was an IPR person. Those are things that come to me immediately.

Mr. ARENS. Now, on the basis of your experience in the Far East, Mr. Caldwell, can you help the committee by giving an appraisal of the method of operation which is in vogue now by our Government representatives in the Far East in undertaking to win friends and influence people?

Mr. CALDWELL. I think there is great improvement in what we are doing in the Far East. There is still, to my mind, much too little coordination, say, between what is happening in Korea and what is happening in China. To give an example of that, in Formosa we have an excellent United States information service at the present time. It puts out some outstanding publications in Chinese.

Now, those publications would have been extremely valuable with the Chinese POW's in Korea, but those publications were never sent to Korea. There was no liaison between what we were doing in free China and what we were trying to do with the Chinese business.

I think we still rely too much on radio as far as the Chinese on the mainland are concerned. We do too little in exploiting the tremendous possibilities of getting propaganda into the China coast.

Mr. ARENS. Now, Mr. Caldwell, on the basis of your background and experience, what would your appraisal be of a course of action that this Government should take to sever diplomatic relations with all Communist-controlled governments and to propose a conference of the free nations of the world to destroy the Communist fifth column and to resist Communist aggression?

Mr. CALDWELL. I feel very strongly that severance of diplomatic relations would be an important step because perhaps then we could make people understand the totality of this conspiracy against us.

Mr. ARENS. What do you mean by that?

Mr. CALDWELL. I mean by that that today still too many people cannot understand that we are actually at war, that the final aim of communism is our destruction because we are the only powerful force that stands in their way; that as long as we go on in a quasi-peaceful situation, we can't perhaps correct some of these feelings that I have listed in my statement; that if we could somehow show people that we are in the state of hostility with the Communist world, that normal diplomatic relations are not only injurious but are broken off, then we could gain slowly the realization we need to really gird ourselves for the battle ahead.

Mr. ARENS. To what extent did the Communist espionage propaganda and political subversion center in the diplomatic and/or semi-diplomatic establishments throughout the Far East with which you were in contact?

Mr. CALDWELL. I think the extent of the native infiltration has never been fully realized. By that I mean that every diplomatic establishment must have a large number of Chinese personnel in China, Koreans if in Korea. It is my belief that the United States Information Service was a particular target, for several reasons, of propagandists. Propaganda is important. Our own propaganda is important to the Communists. Also the USIS in most places is an organization which helps and guides American correspondents who are visiting.

Now, to show that I am not trying to blame others alone, I would like to mention one unit of my own in Korea of 18 people that I hired myself, whose employment I approved. I was able to check on all 18 of those. After the war I found that seven had gone over to the other side. Of those 7, I would say, 5 were real Communists and 2 were opportunists or people who couldn't get out of Seoul in time and did what they did to eat. That is a pretty high percentage. I think one of the things we should have done is to have made a study of all our personnel in Korea. It could have been done, could still perhaps be done, to find out just what the total percentage of actual Communists was.

We had a total of between 3,000 and 5,000 Korean employees in our mission in Korea. In that vast number of people there was tremendous opportunity for infiltration, and you can't run a security check on a Korean or a Chinese. They have lived in perhaps 40 different places in 5 years. It is a difficult job.

I do not blame us for having failed somewhat, but I don't think we have been careful enough to realize that certain units of our establishments are targets for infiltration.

Senator WELKER. Mr. Chairman, could I have a question to clarify something that I may have misunderstood?

The CHAIRMAN. Senator Welker.

Senator WELKER. Prior to the last answer, did I understand you to say that it would be proper that we let the world know that we were at war with the Communist conspiracy rather than to adopt the attitude of quasi-peace and containment with them?

Mr. CALDWELL. By war I do not mean that we should declare a war.

Senator WELKER. Well now, what did you mean?

Mr. CALDWELL. I mean that we should realize that the continuance of diplomatic relations is an unrealistic attitude at the present time. It gives the Communists a chance at espionage that they would not have otherwise, and I think it also tends to becloud the issues of communism here at home, that people do not realize, cannot understand that the Communists are, speaking very simply, out after us, that their primary aim is the "defeat of imperialistic America."

Senator WELKER. Now, Mr. Caldwell, this digresses for a moment, but I think it is along the line you have suggested. Do you think it is good psychology for the United States Government to sell a Czechoslovakian steel mill to a dictatorship that has trade alliances, trade agreements with Russia and all her satellites, knowing well that at this moment Russia and the satellites have trade missions in this country to which they would propose to ship this steel mill. Do you think that is good psychology?

Mr. CALDWELL. Absolutely not. I think it is ridiculous to think that we can trade in any way with the enemy we face. May I digress there a moment and say that I was able to get through Chinese and American sources an exact count of the number of ships that attempted to enter or did enter Communist ports on the China coast during the month of November.

Mr. ARENS. During what year?

The CHAIRMAN. Yes, what year, Mr. Caldwell?

Mr. CALDWELL. This last year. I was there in December. I do not have my notes here, but I believe it was 69. Of those figures 69, all but 4 were British. The four that were not British were Norwegian. Some of those ships carried undoubtedly nonstrategic materials, but one of them that was stopped had over 5,000 tons of antibiotics, streptomycin, penicillin. I saw part of the cargo of another which had army blankets, blankets cut in the army style, delivered to the coast of China in the dead of winter.

The CHAIRMAN. Let the record show that Senator Johnston is in attendance at this hearing.

Senator WELKER. Now, Mr. Caldwell, if the chairman will permit me, what were some of these nonstrategic materials in the other boats? Would it be food, or buttons, or what?

Mr. CALDWELL. Food. Often as prosaic items as soap, a good deal of soap. Consumers goods. Fruit goes in. Normally the Chinese Nationalists do not even attempt to stop a ship unless they have some intelligence to the effect that it does have strategic goods. So often you cannot tell what is in the cargo. They try to check from Hong Kong.

Senator WELKER. Food would be a little strategic, would it not, if an army were starving?

Mr. CALDWELL. I think if you are realistic you should say that almost any item that goes into Communist China is strategic.

The Chinese Communists are having a desperate time economically right now. Obviously if we cut off everything their situation would be worsened, and to me, it is an important part of the cold war to make that situation as bad as we can. It weakens them and keeps them from getting that final stranglehold which will keep us from ever getting them out.

Mr. ARENS. After you returned to the United States, did you have an opportunity to appraise all the publications in the United States, books and magazines and articles on the Far East?

Mr. CALDWELL. Yes, sir.

Mr. ARENS. What is your comment or observation on that?

Mr. CALDWELL. There is one indication that I think shows the situation, and that is the Library Journal which is, you might say, more or less the organ of American libraries. It is not official. I made a compilation of the recommendations it makes on books on foreign affairs in general and on the Far East in particular. You will find almost invariably that a book favorable to, let's say, the Nationalists, or the Rhee point of view, is not recommended. Mr. James Burnham's book, the Web of Subversion, which dealt a good deal with the work of this committee, had a flat statement, "Not recommended." And you find that pattern runs all through the books that are recommended to American libraries.

Mr. ARENS. That is a kind of bible of books in this country?

Mr. CALDWELL. That is a good way of putting it.

Mr. ARENS. It is the Journal which is the authority on which books are good and what books are not good, is that correct, in its simplest form?

Mr. CALDWELL. That is correct.

Mr. ARENS. And your testimony is that this Journal regularly, habitually recommends books, favorable to the pro-Communist ele-

ment and does not recommend books that are anti-Communist, is that correct?

Mr. CALDWELL. I wouldn't go as far as to say that it recommends books that are pro-Communist. I think it is a little more devious than that. It does not recommend books that make an outright attack, as Mr. Burnham did, on the Communist conspiracy. It does not recommend books which, like the book *Formosa Beachhead*, are favorable to Chiang Kai-shek. That was recently published. It does not even list books like that normally.

Mr. ARENS. Did you have an experience in which you checked on the Communist propaganda respecting the alleged target practice that the Marines were supposed to be engaging in on the Chinese?

Mr. CALDWELL. Yes. That is a very interesting story because I think it illustrates two things. It illustrates the Communist technique of trying to degrade our own people, our soldiers, and it illustrates again how Americans can help in that technique.

When I was Director of the USIS in China, I read in the Communist paper a story that the United States Marines in north China were using Chinese peasants in target practice. This story was that they were bored and didn't have much to do so they would go out in the country and get a peasant and start him running and shoot him. It was inconceivable to me that any American military unit—they are not always angels, let us agree—would ever do that kind of thing. I began to be very much disturbed when Americans in our own establishment began to pass that story around, passing it around as the truth without checking of any type, and it became a very curt story all over China, so much so that I went to north China myself to check and I found that the basis of the story was that near the city of Tientsin, near a target, a farmer had been hit by a stray bullet.

From that the story had been exaggerated in the typical Communist technique, helped along unfortunately by some Americans to the effect that we were using peasants as targets as a routine procedure.

Senator WELKER. Do you know the names of Americans who helped that propaganda along?

Mr. CALDWELL. I do. I would rather give it just to the committee.

The CHAIRMAN. That is the custom.

Senator JOHNSTON. Would you tell the committee whether or not they were giving it in good faith or trying to injure the United States?

Mr. CALDWELL. I would say both. I would say that undoubtedly when you have a situation like that there may have been one key person who was possibly a party member and then you have the many naive Americans who get no briefing of any type, to whom we still give no real indoctrination, the hundreds of people we send overseas, and I think that a gossip can do as much harm as a party member, a gossip who will not check on facts, who will not realize that this or that story is harmful to the policy of the United States.

The CHAIRMAN. It is the policy of this committee not to reveal any names in public session, but would you be kind enough to give us the names of these people in executive session?

Mr. CALDWELL. I certainly will.

Mr. ARENS. Mr. Caldwell, I think our record should reflect more clearly the facts with reference to William Powell. Specifically, who is he?

Mr. CALDWELL. Specifically now, as far as I know, he is unemployed. I know nothing of his whereabouts or his activities. His correct name is, I believe, J. William Powell. It is on this masthead: John William Powell, editor and publisher of the China Monthly Review.

Mr. ARENS. That China Monthly Review clearly is a Communist publication?

Mr. CALDWELL. I don't see how anything could be more so. I think, but I am not sure, that it folded when he left last August. Whether it is still in existence, I do not know.

Mr. ARENS. He was formerly with the Office of War Information in China, is that correct?

Mr. CALDWELL. That is correct.

Mr. ARENS. Over what period of time was he with the OWI in China?

Mr. CALDWELL. He was employed in 1943 in March. By Executive order on August 31, 1945, he was transferred to the State Department. I believe he resigned within 6 months to go back and start up the magazine again.

Mr. ARENS. Over what period of time was he with the magazine?

Mr. CALDWELL. From 1947, I would say, or possibly 1946 until August of 1953.

Mr. ARENS. Where was he engaged then?

Mr. CALDWELL. In Shanghai.

Mr. ARENS. Then he was then editor until 1953 of this China Review, is that correct?

Mr. CALDWELL. China Monthly Review.

Senator WELKER. May I have a question, Mr. Chairman?

The CHAIRMAN. Senator Welker.

Senator WELKER. Mr. Caldwell, do you have any information as to whether or not any of these documents, magazines, or pamphlets that you have before you and which you state are Communist propaganda reach the American shore, reach the United States in the form of propaganda?

Mr. CALDWELL. Yes, sir. In Iowa during a lecture the year before the last I heard of two families that had received this publication here. Both of the families had sons, prisoners of the Chinese. I heard of one family in my own town, Nashville. I do not know what the name of that family was. The FBI told me of that family and of another family in Memphis. Those are four cases in which this magazine came through the mails, mailed in Hong Kong, and came to American families.

Senator WELKER. I have another observation. Senator Jenner had me on a task force, along with Mr. Arens, Mr. Duffy, and Mr. Schroeder, in New York a few weeks ago in which we had millions of pieces of literature similar to that before you that came into our country and was freely distributed throughout our land. Now, based upon your experience, sir, what effect would that have in aiding the Communist conspiracy?

Mr. CALDWELL. I think it has this effect: a family particularly that had a boy who was a prisoner is emotionally upset and worried. One of the main lines of these magazines is that we must have peace, that the Chinese Communists are really trying to have a square deal, and I think it works, that people are likely to write their Senators and Congressmen suggesting that we get out of the war. They are likely to become a little sympathetic to the Communist cause.

Mr. ARENS. Now, with reference to Mr. Powell again, we had him up to 1953 when he was editor of the China Review and I understood you to say that he resigned and returned to the United States?

Mr. CALDWELL. That is correct.

Mr. ARENS. What is the source of your information on the fact that he entered the country?

Mr. CALDWELL. Time magazine. First I saw him just before I left and then, when I was in Japan last August, I inquired and talked to one correspondent, an American correspondent who had interviewed him on his way out of Hong Kong.

Mr. ARENS. Did he return as an American citizen or had he renounced his citizenship?

Mr. CALDWELL. No, I don't believe he ever renounced his citizenship.

Mr. ARENS. What information do you have with respect to his wife?

Mr. CALDWELL. His wife was the leader of the pro-Communist American forces in Shanghai all throughout 1946, 1947, and 1948.

Mr. ARENS. Did she return with him?

Mr. CALDWELL. Yes, she did.

Mr. ARENS. I have one further question. With what groups was she identified in Shanghai?

Mr. CALDWELL. First with Madam Sun Yat-sen's relief organization. No, I believe she went out originally perhaps with UNRRA. I am not certain of that. She then became associated with Madam Sun Yat-sen's relief organization and, as you no doubt know Madame Sun has gone over to the Communists and is, I think, at the present time Minister of Cultural Enlightenment in the Communist Government. She was associated with Madam Sun for about 2 years.

Mr. ARENS. What would be your opinion, in your judgment of the rank and file of the people in the Far East as to what psychological impact there would be on their minds by severance of diplomatic relations.

Mr. CALDWELL. I think it would be extremely helpful as far as non-Communist Asia is concerned. By that I mean Korea, Philippines, Thailand, Free China. It might also be very helpful as far as Japan is concerned. Now, the Japanese are in a very serious economic situation. They have to trade, and the logical trading area for them is Communist China. They have sent within the last year two trade missions to Communist China. But, on the other hand, they must rely on us and I think one effect might be that that desire to trade with Communist China would be lessened if we had no relations whatsoever with the Communist world.

The CHAIRMAN. Certainly magazines such as you have referred to here, like the China Review would be stopped as to propaganda and transmissibility if diplomatic relations were severed.

Mr. CALDWELL. They could be barred, I assume, completely.

Mr. ARENS. Do you have information respecting the situation in the Philippines?

Mr. CALDWELL. Very little. I haven't been there on recent trips.

Mr. ARENS. We have no further questions, Mr. Chairman. He has covered his testimony at length in his prepared statement.

The CHAIRMAN. And that has been incorporated in the record.

Do you have any questions, Senator Johnston?

Senator JOHNSTON. I have no questions.

The CHAIRMAN. Do you have questions, Senator Welker?

Senator WELKER. I have only this observation, Mr. Chairman: If Mr. Caldwell would be gracious enough, I would like to see the pamphlets, the Communist propaganda inserted not as a part of the record, but by reference, and included in this record. Is that all right with you?

Mr. CALDWELL. Yes, sir. That is fine, Senator.

The CHAIRMAN. They may become so incorporated.

Mr. ARENS. The British have recognized both China and Formosa; is that correct?

Mr. CALDWELL. It is a very curious situation which I think might be without precedent. They recognize Communist China but they keep one foot in the doorway and maintain a consulate in Free China.

Mr. ARENS. Do you have any appraisal to make with reference to the potential strength of Formosa as an ally of the United States?

Mr. CALDWELL. I have some very strong convictions on that point. I think the American people, as a part of the lack of fair information on free China, have never been told of the tremendous guerrilla forces already within striking distance of the China coast. The Nationalists today hold 50 islands. They are islands all the way from small rocks to the island of Chinmen, which has approximately 75,000 excellently trained men. They have naval bases all along the coast which, if they were allowed to do so, could completely blockade the China coast. They are able to make raids at the present time almost at will, and I believe of special significance is the fact that on recent raids surrenders of Communist soldiers have run up to 50 percent, even to 90 percent of the Communists engaged in that particular raid.

In other words, the people are, I think, very much for them on the coast of China. They are not unrealistic enough to say that they can conquer China right now. They do believe they can take a bridgehead and maintain it.

Mr. ARENS. When you were head of the Information Service for our Government in China, what was the line then posed with reference to Chiang Kai-shek?

Mr. CALDWELL. The general line was that he was a very fine man personally but that his government was so completely corrupt it could only be saved by an infusion of fine, idealistic Communist blood.

Mr. ARENS. What was the official line with reference to Syngman Rhee?

Mr. CALDWELL. Rather a meandering line, I would say: that he was a necessary evil to be curtailed in every way possible.

Senator WELKER. May I have one question?

The CHAIRMAN. Senator Welker.

Senator WELKER. I take it from your testimony that should Chiang reestablish a beachhead, no matter how great, on the mainland, we would receive surrenders from the Red Chinese soldiers as well as the peasants and the people of China who seek freedom?

Mr. CALDWELL. By "we" I assume, Senator, that you mean the Nationalist Chinese?

Senator WELKER. I mean that. I think that they should be called an ally of ours.

Mr. CALDWELL. I would say that 90 percent of the people south of the Yangtze will cooperate with the Nationalists. I would say particularly of the so-called security divisions, the rate of surrender would run close to 50 percent. That is based on personal interrogations of hundreds of people in the mainland, and I might say that the State Department itself has reports from Hong Kong that corroborate my own findings.

Senator JOHNSTON. What position would Russia take then?

Mr. CALDWELL. I don't know that Russia would take any position other than to supply more arms. The general feeling of the people in the Far East on our side is that the Russians, being very realistic, will not at any time start a war with us unless they are certain that they can win with a knockout blow. That I would say is the feeling of men like Chiang Kai-shek and Dr. Rhee and the other leaders of free Asia.

Senator WELKER. May I have a question, Mr. Chairman?

The CHAIRMAN. Senator Welker.

Senator WELKER. Mr. Caldwell, I will ask you if it is not a fact that at one time you participated in that guerrilla raid from Formosa with the Nationalist Chinese to the mainland of China?

Mr. CALDWELL. I participated in a gunboat raid.

Senator WELKER. Let us have a description of that, sir.

Mr. CALDWELL. I might say that a Chinese warship does not look like an American warship. There is a feeling as you go aboard that there is no discipline. There are 5 or 6 different types of uniforms. There is really always laundry hanging out on deck and always fresh cabbage all over the deck because they have no refrigeration. The object of these raids is to try to capture Communist shipping, and it is a rather tricky operation, because the gunboat has to try to get in toward the harbors which are pretty well defended with heavy artillery, and catch the boats before they are shot up by the artillery.

On my particular raid, which took 1 day, we were only able to get one Communist ship, and I think it is significant that it turned out that that Communist ship was a Chinese junk with a crew of about 18 men or women who turned out to be completely anti-Communist. They were extremely anxious to talk to me. They answered all of my questions. The only thing that they asked was not to be detained too long because they were afraid they would be spotted from the shore, and they assured me that in most of these smaller ships along the coast we would find that the crews were very anti-Communist, and that is borne out by the periodic mutinies which take place aboard the fairly large ships. The political commissar is shot and the ship brought to a Nationalist base.

Another thing of interest that these crewmen told me was the extent of actual Russian participation in the national life of China

today. They said they had come into Amoy; even in the town in which I was born, the town of Futsing, which has 20,000 population, there are today over a dozen Russian technicians. In other words, the Russians are infiltrating right down almost to the village level, and have a very complete control of the economic life of China today.

The CHAIRMAN. Mr. Caldwell, you will furnish to the staff the names earlier referred to?

Mr. CALDWELL. Yes, sir; I will.

The CHAIRMAN. We thank you for your appearance here today. It has given us very fine information on the picture of the Communist infiltration in the world today of the Communist conspiracy.

(Thereupon, at 11:20 a. m., the hearing was recessed subject to call of the Chair.)

STRATEGY AND TACTICS OF WORLD COMMUNISM

THURSDAY, JUNE 17, 1954

UNITED STATES SENATE,
SUBCOMMITTEE TO INVESTIGATE THE ADMINISTRATION
OF THE INTERNAL SECURITY ACT AND OTHER INTERNAL
SECURITY LAWS, OF THE COMMITTEE ON THE JUDICIARY,
Washington, D. C.

The subcommittee met, pursuant to call, at 10:30 a. m., in room 457, Senate Office Building, Hon. William E. Jenner (chairman of the subcommittee) presiding.

Present: Senators Jenner and Welker.

Also present: Richard Arens, professional staff director; Edward R. Duffy and Frank W. Schroeder, professional staff members.

The CHAIRMAN. The committee will come to order.

Mr. MARCUS, would you be sworn to testify?

Do you swear that the testimony given in this hearing will be the truth, the whole truth, and nothing but the truth, so help you, God?

Mr. MARCUS. I do.

TESTIMONY OF J. ANTHONY MARCUS, SCARSDALE, N. Y., PRESIDENT, INSTITUTE OF FOREIGN TRADE

The CHAIRMAN. Will you state your full name for our record, please?

Mr. MARCUS. My name is J. Anthony Marcus.

The CHAIRMAN. Where do you reside?

Mr. MARCUS. I reside at Scarsdale, N. Y. I am president of the Institute of Foreign Trade, with offices at 60 East 42d Street, New York City.

The CHAIRMAN. All right, Mr. Arens, you may proceed.

Mr. MARCUS. Our organization is devoted to the proposition of helping American industrial firms, as well as exporters and importers, in international trade.

Mr. ARENS. Mr. Marcus, you are also president of the Guardian Oil Co.?

Mr. MARCUS. That is correct, a producing company in Nebraska.

Mr. ARENS. Before we proceed with our informal interrogation here with Mr. Marcus, may I respectfully suggest to the chairman that the record now reflect the prepared statement which you have submitted to the committee.

Mr. MARCUS. Yes, sir.

The CHAIRMAN. It may go into the record and be incorporated as a part of the record.

(The statement referred to follows:)

STATEMENT OF J. ANTHONY MARCUS, PRESIDENT, INSTITUTE OF FOREIGN TRADE

My name is J. Anthony Marcus, a resident of Scarsdale, N. Y. Since 1946 I have been president of the Institute of Foreign Trade, a private consulting agency for American industrial and trading enterprises interested in international outlets for their products, with offices at 60 East 42d Street, New York City.

Early in January 1953 I was also elected president of the Guardian Oil Co., Inc., of Falls City, Nebr., which owns and operates petroleum-producing properties and other oil and gas operations.

I was born and educated in Russia of prerevolutionary days. I came to this country shortly before the First World War as a lone immigrant boy with three English words in my vocabulary and \$14.28. Like millions of immigrants to these blessed shores, I was welcomed by the generous American people and made to feel at home far more than in my native Russia. Within 5 years and 4 months after landing here I was a full-fledged member of the great American family—a citizen of the United States. And thanks to the free institutions of America, again, like millions of other immigrants, I have been able to rise from laborer in an iron and steel plant to responsible positions in various fields of endeavor.

Between 1920 and the outbreak of the Second World War I had occasion to visit the Soviet Union on numerous occasions as buyer, seller, investigator, and negotiator for some of our leading firms, such as the Studebaker Corp, the American Radiator and Standard Sanitary Corp., the American Hair & Felt Co. These duties brought me in contact with some of Russia's leading Government officials, including men like the present Vice Prime Minister for Trade, Anastasy I. Mikoyan. I have witnessed the rise of the Kremlin criminals from economic, industrial, and military impotence to its present position of the only world imperialistic aggressor. In recent years, especially since early 1951, I have been active on the board of directors of the American Friends of Russian Freedom, Inc., 270 Park Avenue, New York City, where I am associated with such distinguished citizens as Gen. Frank L. Howley, our former commandant in Berlin; with Adm. William S. Maxwell; Adm. William H. Standley, our former Ambassador in Russia; former Ambassador Spruille Braden; the well-known anti-Communist author, Eugene Lyons; the former national commander of the American Legion, Mr. James O'Neil; Gen. William J. Donovan; and many others. Our aim is to help cement a bond of friendship with the Kremlin's victims in order to bring about the ultimate overthrow of the Soviet gangster regime by the Russian peoples themselves.

I have been lecturing throughout the country in an effort to enlighten our people about the real nature of the Kremlin beast and its threat to our security. I have also written extensively for some of our leading dailies and monthlies, as well as appeared before the microphone and on TV to warn our people about the serious challenge of the Soviet barbarians and what to do about putting an end to the Soviet nightmare.

I have been carrying on this persistent campaign alone and without any assistance from anyone. All of us former immigrants owe a great debt to our country, a debt which we can never repay in full. Now that our free institutions are menaced by a savage enemy, we would be unworthy of our citizenship if we failed to be in the forefront in the struggle with the implacable foe. Unfortunately, I must confess that there are entirely too few of those everlastingly indebted naturalized Americans who are exerting themselves in behalf of our country at this critical stage of our history. Let us hope that the efforts of the little band of us may inspire them to wake up to their responsibility.

EAST-WEST TRADE

Of late there has been considerable commotion in the shrinking free world about Soviet plans to make large purchases in the West. Instead of flying saucers industrialists and merchants here and in Europe have been beholding flying orders from the Kremlin running into the many billions of dollars. The excitement has been all the greater because for the first time since its rise to power the Communists of the Kremlin are showing interest in consumer goods from the capitalist countries they hate so much. This, of course, is news. This is news because ever since coming into existence the Soviet Government had never seen fit to import consumer goods. Not because its subjects did not need shoes, coats, underwear, hats, pots and pans, cutlery, furniture, and the many other items which are considered essential in civilized countries. Soviet subjects have had to be content with rags on their backs, with hovels even a pig would

scorn, with the coarsest of food in their stomachs at best or roots, potatoes, and adulterated bread for breakfast, lunch, and dinner during the perennial Communist-made famines. This is the way the Lenin-Stalin pledges of a better life under so-called socialism have been fulfilled. They promised bread and have given perpetual hunger; they promised peace and have given uninterrupted war at home and abroad; they promised land to the peasants and have robbed them completely of their holdings, enslaving tens of millions and actually murdering millions for resisting the collectivization edicts; they promised freedom from oppression and exploitation and have established the most oppressive system of political-economic exploitation ever devised by the despots of human history.

What is really behind this alleged Soviet interest in East-West trade? Of course the need is great in the Soviet Union. But the need was much greater right after the Second World War and had been for decades when there were no satellite nations with a higher standard of living to be looted. For more than three decades the Soviet Government studiously denied its people the benefits of American and European consumer goods although it did not lack the means to pay with. A mere corner of its inexhaustible forests for timber and pulp exploitation by competent American hands, a mere fraction of its gold mined with tens of thousands of slave laborers could have paid for billions of dollars' worth of such purchases. On the basis of more than 30 years of intimate contact with the Soviet political, economic, and industrial life, I believe I know the answer to the riddle:

First, the Soviet Government wants to buy samples, copy them, and claim them as its own creations. Second, and this is every important, to find out the types of our production machinery used in the consumer goods and system of mass production with a view to stealing our technology. The same pattern was used to Soviet advantage in the heavy industries prior to 1948. And, third, once mass production of consumer goods has been mastered to offer us ruinous competition in world markets. With tens of millions of men, women, and children toiling in the factories under most inhuman exploitation, with other millions working as forced laborers from predawn to past sunset in the numerous slave labor camps digging coal, iron, and other minerals supplying raw materials for the industries, it is not difficult to visualize the extent of ruinous competition it could offer us and other highly industrialized countries. That is intended not so much for the sake of profit as for the purpose of undermining our economy, to create unemployment here, and cause unrest.

With our sellers of consumer goods and production machinery unfamiliar with Soviet tactics, there is now much speculation concerning the vast Russian market. Some are dreaming about bigger orders in the future—a future, alas, which can never come to us. Our Chairman of the Joint Chiefs of Staff, Adm. Arthur W. Radford, recently told 400 newspaper editors (April 15) that “due to the massive militant nature” of the Communist threat the world was in a period of tension that could last a century. Anyone imagining that the Kremlin boys expect to live with us on this troubled globe for another century is deluding himself, and has yet to learn the true nature of the Kremlin beast. If they do half as well within the next 15 to 20 years as they have done during the past 15 years, the final clash will come within one-fifth of the time anticipated by Admiral Radford.

Therefore, if we fall for the Soviet trade bait, if our western allies continue their present shortsighted course of trading with the enemy, the Soviets will know how to make the most of the upsurge of our wishful thinking. The experience they had gained in stealing our industrial secrets in the heavy industries will stand them in good stead and our technological know-how in the light industries will be theirs with little effort and without any cash outlays. The flood of our blueprints and shop drawings will once more find its way to Moscow, Leningrad, and other points. One day we will wake up to discover that we had sold our birthright to the bitterest enemy for a mere mess of pottage.

Trade with the Soviets has been and will remain a one-way street as long as the regime survives. Its survival is greatly enhanced by the diplomatic relations which the United States and the free nations foolishly continue to maintain despite our distressing experiences. Their inexorable goal is and must forever remain: New countries to conquer, more hundreds of millions of peoples to enslave with the aid of a cold war if possible, a shooting war if need be whenever they are ready. They are not ready yet. They need another 10 years to master their own people and to entrench the Communists in China and the satellite nations. Their prayer is a continuance of the “peredishka”—a breathing spell—and the gullible West is offering it to them on a golden platter.

Between the years 1945 and 1950 the Soviet Government was in mortal fear of a war with the civilized world, fear of its own people. The western so-called Russian experts proved so ignorant as to scare us with possible hostilities almost any moment. That was working into the hands of the enemy.

In the meantime the Lenin-Stalin-made hurricane keeps roaring on, while little men in big posts in the Western World are wondering what to do next to meet the Soviet challenge. Why do the leaders of more than two-thirds of the world tremble before a miserable little band of Red Fascists sitting on an active volcano in Moscow. "There is no darkness," said Shakespeare, "but ignorance." That's the answer! Ignorance of foreign offices, in legislative branches of governments, among the educators and opinion makers, and, finally, ignorance among the wide public is responsible for this sorry spectacle in a Christian world possessed of a righteous cause but lacking in will to learn about the enemy and courage to stand up to the frightened barbarians in the Kremlin.

Take, for example, the testimony given before a Senate committee in recent months by Mr. Harold E. Stassen, Foreign Operations Administrator, on the subject of East-West trade. He argued that increased "nonstrategic" trade between our European allies and the Communist bloc would "carry a net advantage to the free world." The mere fact that since the death of Stalin such trade has suddenly become top priority with the Kremlin policymakers is conclusive evidence that it is in the interest of the Communist government, that once more they want to be rescued by the capitalist countries from the wrath of their own people. What is good for the Kremlin is bad for us, no matter how great the monetary gain.

Mr. Stassen relieved himself of another fallacy before the committee. He tried to convince you that if the West refused to supply Russia with nonstrategic goods it would, as he said, "hand to the Soviet rulers one of the most powerful cold-war weapons we could devise." How ridiculous! Where does he get that nonsense? If we were to clamp down the completest and tightest embargo on shipments of anything to the Soviet Union and the satellite nations, as well as on all imports, the Russian peoples would bless us for it. If the Russian people were free to talk to us freely they would beg us on their knees not to sell nor to buy from their Government anything. They have suffered privations thus far and could stand it for some years longer as long as it would hurt their Government, their tyrants. The worse economic conditions become in the Soviet Union, the sooner will come that explosion from within which will destroy the Communist regime.

The same is true of another baseless remark made by Mr. Stassen in his testimony when he said that East-West trade would help "maintain the basic friendship of people behind the Iron Curtain." Why, Mr. Chairman, the very opposite is true. To follow Mr. Stassen's counsel will alienate the friendship of the Russian masses. Many a time Soviet citizens, including high Government functionaries who were parading as Communists but at heart were bitter enemies of the regime, have said to me: "Why do you Americans come to this country to deal with our Government? You are only enhancing its prestige; you are tightening the noose around our necks."

Anyone who is telling Mr. Stassen the misleading balderdash above quoted should be fired from the Government services as an ignoramus. And anyone who accepts the counsel of such ignoramuses is himself unfit to hold a commanding position in our Government at such critical times.

If this East-West trading insanity is not choked off and more competent counsel listened to, Lenin's interpretation of the capitalist mentality will be fully borne out. He said: "We'll have them bidding together for the rope." East-West trade as is now being carried on can only help dig the grave of liberty and civilization.

The picture is no brighter in the ranks of our businessmen. What, for example, is one to say of the steel executive, Mr. Ernest T. Weir, who has been preaching that our Government remove restrictions to "coexistence" with the Soviet head-hunters and, as he put it, "establish an atmosphere of agreement—a relaxation of tension, a dissipation of the present suspicion and distrust"? The trouble with Mr. Weir is that he has been addressing his preachment to the wrong party. He should address himself to the mummy in the Lenin mausoleum on Red Square, Moscow, if he does not know where to find the remains of the architect of the Soviet slave state—Lenin. It would be a waste of his time to counsel Malenkov, since he could not possibly change the teachings of the master and keep his head on his shoulders. Relax tension, establish an atmosphere of agreement between

Communist regimes and sanity in the world, that is just as possible as to jump off the Empire State Building in New York and remain alive. The Soviets want more tension, more disagreement, and not less. They will never stop until either they or we are wiped off this earth. Mr. Weir would do well to change his ghost writer.

Again, Mr. Chairman, what is one to think of a former Secretary of the Army [Mr. Kenneth C. Royall] who, in an address before the Advertising Club in New York some time ago, advocated free commercial intercourse with Communist China to create, as he put it, "direct contact with the Chinese people and commercial sources of imports and exports upon which China will come to depend"? Is it possible that the former Secretary is ignorant of the fact that one of the first goals of any Communist government is the total destruction of free domestic and foreign trade? The moment the Iron Curtain is rung down upon a country, there can be no direct contact by the citizens of that country with anyone in the free world, and the former producers, as well as exporters and importers, are either liquidated or forced into the bureaucracy to do as they are told by the Communist hierarchy. However, the former Cabinet officers did not keep us long in suspense as to the basic reason for his ignorance of Communist theory and practice. "Chinese communism," he assured his audience, "is not due to Russia, but rather to the groping of the Chinese people for some way out of their misery." Shades of the Institute of Pacific Relations fraternity which helped our Chinese fiasco by contending that Mao and his gangsters were not Communists at all; that they were only "agrarian reformers."

How true is Mr. Royall's statement? Practically every Communist leader in China, from Mao down, had been trained in revolutionary tactics, murder, intrigue, espionage, and sabotage in the Communist schools of Russia. The Eastern and Lenin Universities in Moscow and similar schools in other parts of the Soviet Union have turned out countless thousands of Chinese revolutionary leaders since 1918, at enormous cost to the Soviet treasury, but it has paid off handsomely. Without their assistance and leadership, the enslavement of China's million could not have taken place, and the same is true of all the satellite countries.

For those who might still cling to the preposterous notions of men like Mr. Royall, permit me to state that as early as 1926 there were about 2,000 trainees in the Sun Yat Sen University in Moscow preparing for the coming destruction of freedom and the enslavement of China as part and parcel of Lenin's plan to encircle the United States in order that it might fall, as he put it, "like an over-ripe fruit into our hands." By 1927 the Soviet Government was turning out no less than 5,000 trainees per year to do its bidding in the Far East, and a gullible world did not have the vision to take cognizance of it.

In 1942, while we were straining every nerve to supply the Soviet Government with war materiel, while our sons were braving the submarine-infested waters of the North Sea trying to deliver the badly needed guns and ammunition, food, and medicine to the Russian armies, the Soviet Government was already preparing men to interrogate American and English prisoners of war.

One equally looks in vain for greater intelligence and enlightenment among the British businessmen. Said one of their leading men in recent times: "While the Communists just now see every foreigner as a spy, there must eventually be a stabilizing period. Then there will have to be higher trade and British ships to carry that trade—say, 2, 3, or 5 years ahead." Similar nonsense was peddled around after the Russian Communists came to power. Before me is a clipping from the New York Times of August 14, 1920. On page 2 is a dispatch from Washington quoting the American Ambassador in Petrograd, Mr. Francis, to the effect that within 6 months there would be no vestige left of the Soviet Government.

In the light of Britain's recent experience with the Chinese Communists, the sort of thinking above quoted is all the more shocking. The British Socialists rushed at neck-breaking speed to recognize the Chinese Communist barbarians. They did not realize or did not care that while the voice from China was that of Mao, the hands pulling the Peiping strings were those of Stalin. For 4 years now the British Government has been suffering insults and indignities at the hands of the Communist mercenaries in China, their Ambassador has been cooling his heels in Peiping ever since his arrival, and Mao refuses to recognize the British Government. During the first 6 months of 1952, for example, the British sent 50 communications to the Communist government without even being accorded the courtesy of a single reply. Has the British lion lost his voice and his teeth?

Not only have British businessmen taken no profits out of China since the curtain was rung down on that country, but they have been throwing good money after bad at an alarming rate—about 500,000 pounds sterling monthly. During the year 1951 the British had to put about 17 million pounds sterling into China to meet the paralyzing taxes, to pay outrageously inflated and useless staffs forced upon them by the Communists. All this is designed to ruin foreign business firms in China and to extort valuable foreign exchange. Herself in dire economic need, forever crying for more millions from the American taxpayers, Britain nevertheless continues to cling to the farce of trying to do business with a government which has never concealed the fact that it is out to destroy all non-Communist nations. Not a single British firm has a chance of surviving in China; not a cent will ever be paid by the Chinese to the British or American firms expropriated by them, not until the Communist government is destroyed by its own people.

And yet this nonsense of the British business leader was promptly echoed by an American colleague, no less than the chairman of the United States Council of the International Chamber of Commerce, who told the Boston conference on distribution:

"The ultimate results," said Mr. George A. Sloan, "will be that some day in the future the Soviets will realize the futility of their efforts in undermining the free nations and will suspend their struggle for world domination." Mr. Sloan apparently refuses to admit that having enslaved over 600 millions of alien peoples in the course of one decade their efforts should be termed highly successful and not a futile effort as he sees it. They have been eminently successful throughout the world, not excluding our own country, and are now knocking at the very major gateway to the United States, the Panama Canal, with their efforts in Guatemala.

The kind of balderdash we have been getting from men who should know better how to deal with the Soviet nightmare impels men of my background and experience to exclaim: You might as well wait for the leopard to change his spots; you might as well expect the earth to change its course as to see the Soviets abandon their irresponsible and irresistible march toward world enslavement.

Mr. Chairman, it is high time to admit that Lenin truly meant business when he assured his listeners time and time again: "It is either we or they; * * * We stand for uninterrupted revolution. We will not halt halfway."

That such fallacies as mentioned above are still being peddled around by supposedly intelligent men of affairs 36 years after the rise of the Soviet regime makes one wonder if our people ever will fathom the seriousness of the problem which is facing them. One can also wonder why the thousands of foundations with billions of tax-free dollars have not had the commonsense to tackle this problem of enlightening our people, and especially those in strategic positions. To do electric wiring or a plumbing job a person must take an examination and secure a certificate showing that he is qualified. But not in matters affecting the lives of every man, woman, and child in the United States—the solving of the most difficult problem of the era caused by Soviet communism. Any ignoramus of this subject, without having studied the problem in Russia or learned the basic principles of Soviet theory and practice from the experience of those who have made it their life's work to know the truth of the matter, be he a university professor, an editorial writer, a business executive or a professional, can undertake to pontificate on this most perplexing problem. Some of our greatest scientists who would laugh themselves sick if they heard an ordinary layman pontificate on the scientific fields in which they excel, men like Professors Einstein and Kettering, for example, try to hold forth in the field of international relations with the Soviet menace and try to influence public opinion.

No less shocking has been the propaganda in behalf of East-West trade by Mrs. Vera Michele Dean, research director of the American Foreign Policy Association. Herself an immigrant from Soviet tyranny, Mrs. Dean has never been back to Russia since 1919, has never had any business experiences with the Soviet economy. Yet on January 10, 1950, the members of the New York Export Club listened to her discourse on "Russia's Economic Realities With the West." Her concluding remarks were as revealing as they were counter to our interests:

"In conclusion," said Mrs. Dean, "I would say that we shall have to make a choice between two risks: One risk is to trade with Russia and Eastern Europe, and there the risk, of course, is that we will be increasing their capacity for waging war—if that is what they are planning to do. I say it because I am

not at all clear that that is the real line of attack that the Russians will pursue. The other risk is not to trade with them and to continue to put pressure on our ERP friends also not to trade too much with Eastern Europe, and then we are running the risk of increasing the economic difficulties of our friends in Western Europe. Now, in making this choice of risks, I would plump for the risk of trading with Eastern Europe and Russia. * * *

Five months later the Soviet Government ordered the North Koreans to invade South Korea, where for more than 3 years we fought our third largest and costliest war. But a short 5 months earlier the research director of the American Foreign Policy Association, fed by tax-exempt dollars from our foundations and individuals, was "not at all clear" that war "is the real line of attack that the Russians will pursue."

And what is even more inexcusable about this lady when 3 months after the Korean war began, with thousands of American slaughtered with the aid of Stalin's guns and military leaders, Mrs. Dean wrote in the September 23, 1950, issue of the leftist Nation magazine: "How long will the pretense be kept up that the Peking regime must not speak in the international affairs on behalf of China? Does a period of 16 or more years of nonrecognition by the United States lie ahead, as in the case of the Soviet Government between 1917 and 1933?"

Two months later, the Chinese Communists, the darling of the research director of the American Foreign Policy Association, launched their savage war against the United States. Surely Malenkov, Vishinsky, Malik, and company could hardly have done better by the Kremlin than did Mrs. Dean with her talk before the Export Managers Club. I talked to a number of people in the audience after the lecture. They had no ideas of their own, but parroted her arguments. They admitted that none of them had ever been to the Soviet Union or ever read an authoritative book on communism in practice. One of them even confessed that although Victor Kravchenko's book *I Chose Freedom* had been on his library shelf for 2 years, he had never looked into it. Such an uninformed audience, obviously, is easy prey for the glib tongue of the East-West trade propagandist. But, as a rule, these are the type of lecturers our trade associations and clubs invite to enlighten them. What a tragedy.

The above-quoted remarks have been selected as characteristic of the thinking of men at the top rung of our business leadership ladder. Similar unenlightened and confused reasoning among leaders of other groups has helped bring America to its present impasse by permitting:

1. Continuance of diplomatic relations with the Soviets long, far too long, after it had become apparent that cooperation with them in any field of human endeavor was futile.
2. Continuation of trading with the enemy long after we had learned from decades of experience that it is decidedly detrimental to our interests.
3. Sitting with the world's greatest murderers in the councils of the United Nations as equals, with men who do not represent the Russian peoples, never represented them and never will. Every conference we sat in with those barbarians proved fatal to us or futile at best. If they cannot have their way at a conference, they are determined to wreck it. They have done it time and time again. Yet we persist in begging them on our knees to have some more sessions. How long must this go on?

In the present psychological war these commissions and the many more omissions are deadly strikes against the United States. In the meantime the flower of the Nation's manhood has had to perish on the hills of Korea without eliminating the source of the world chaos and tension. The tens of thousands of American and French youths who have laid down their lives on the distant battlefields; the other tens of thousands of men whose bodies have been mutilated for life are crying from their premature graves and the hospital beds that our statesmen stop blundering and bungling and deal with the enemy more realistically and intelligently.

Mr. Chairman, has anyone in this room ever stopped to think that while the Kremlin has 30 or so millions of allies in the free countries, there are hundreds of millions of secret allies of ours behind the Iron Curtain. They are silent to be sure. But they could be made vocal. They are looking to us for moral and psychological sympathy. Instead of that we have a high Government functionary, Mr. Stassen, tell us that sending goods to Russia would endeavor us to the people. This is a moral and psychological support to their enemies, the Kremlin tyrants. Instead of saying and doing things which will boost the morale of the

victims of communism, the great Winston Churchill comes forth with the shocking statement which I quote:

"We should establish with Russia links which, in spite of all distractions and perils and contradictions, will convince the Russian people and the Soviet Government that we wish them peace, happiness, and ever-increasing and ever-expanding prosperity and enrichment of life in their own mighty land and that we long to see them play a proud and splendid part in the guidance of the human race."

The Russian Government we cannot convince. Mr. Churchill who had more experience than any one of us here ought to know it by now. The only obstacle to peace, happiness, and all the other good things that Mr. Churchill wishes the Russian peoples is the continued existence of the Soviet regime. The Russian people know that even if Mr. Churchill and many of our own befuddled people don't. To wish to see the Soviet Government play "a proud and splendid part in the guidance of the human race," to quote Mr. Churchill, sounds like the little mouse wishing that the cat's teeth be sharper, that the cat's feet carry her faster to the prospective prey. Besides, the Soviet Government is hardly in need of Mr. Churchill's good wishes. It is doing quite well on its own way, thank you. The Kremlin feels that it is indeed playing "a proud and splendid part in the guidance of the human race" that has already fallen into its blood-drenched hands, that it is guiding, according to its deranged mentality, its millions of stooges throughout the free world to bring about its desired results—the sovietization of the world.

It should be plain as day by now that the sort of thinking exemplified by Mr. Churchill, Mr. Stassen, Mr. Weir, Mr. Royal imperils our safety and security. The destinies of mankind are not safe in such hands. Unless the masses in the countries still free, bestir themselves and provide more enlightened and courageous leadership, the Christian civilization is doomed.

As one with a background of 37 years in the international trade field, I must state categorically that the whole Soviet trade commotion is nothing more nor less than a means to driving a wedge between the free nations. It is designed to supply the Communist stooges in the free world with propaganda material to confuse and befuddle our thinking. What happened to the billions of trade that was to follow the establishment of relations with the Kremlin? It was a myth. During the 20 years prior to the Second World War the total purchases amounted to \$1,200 million—approximately \$46 million per annum. This is a mere drop in the ocean in our vast economy. Some of the smallest countries in Latin America buy far more than that from us annually.

The Soviets cannot afford to import heavily from the capitalist countries for two major reasons: First, they cannot afford to help the economies of countries they are out to destroy, and they don't permit friends of the United States or plain gullibles in Russia to go around propagandizing that purchases should be made here, as is the case with a good many such gullibles here. Second, they cannot tell the people day in and day out that the Soviet Union is the real paradise of the workers, the country which has invented everything under, above, and on the sun, that people in the capitalist countries are starving and it is incumbent upon the workers of the Soviet fatherland to allow heavy deductions from their wages to keep the American workers alive, and at the same time flood Russia with goods from those impoverished capitalistic countries. It just would not make sense, and the Soviet propagandists are smarter than that, far smarter than our own. Why, then, this great fuss about East-West trade? Part of the answer has already been given before. Here is another angle:

Take a look at the trade agreements concluded between Russia and the European countries for delivery this year and a few years hence. They are all filled with tie-in purchases. In 1954, for example, the Soviets have agreed to ship to Finland petroleum products, sugar, linseed oil, gasoline, Diesel oil, fuel oil, coal and coke, fertilizer, wheat, fodder cakes, and the like. But what is Finland supposed to ship to Russia? Strategic goods exclusively. All of it designed to strengthen the military might of our enemy, namely—44 ships, tankers, ocean-fishing trawlers, ocean tugboats; 56 lake barges; floating cranes, powerplant machinery and equipment, and many more similar items. Holland, for example, is to supply the Soviets with herring, some butter, and a few other food items for the table of the Soviet hierarchy, but the major items she is to ship to Russia are: Cargo vessels, refrigerator vessels, suction hopper dredges, bucket dredges, coal bunkering vessels, and so forth. Every one of them a major strategic item.

Turn to England, if you please. She is to receive from Russia foodstuffs which are in superabundance here and in Canada; lumber and timber, which Canada has in superabundance. But Britain is to ship to Russia—take good note, please: 30 ocean liners of 8,000 and 10,000 tons, 20 ships of 5,000 tons, 60 fishing trawlers, 30 whalers, 15 salvage tugs; railway equipment to prop up the weakest link of the Soviet system; 200 caterpillar cranes; 110 sets of complete power stations; 150 steam boilers; 20 power trains; 150 diesel electric stations; electrical equipment worth about \$15 million; rolling mill equipment worth about \$40 million, and more of that nature.

And this, Mr. Chairman, is being paraded to us as nonstrategic goods. It is worthy of note that practically every country capable of supplying ships and similarly highly strategic material is being awarded contracts. This, on one hand, takes the burden off the Soviet shipyards, and, second, it makes it possible for the Soviet Government to take possession of that many more highly strategic equipment in the event of a conflict or for the purpose of aiding satellites through whom mischief is now planned.

Did Mr. Stassen give you facts or fiction when he asserted that such trade would "carry a net advantage to the free world"?

The total 1948 turnover of the U. S. S. R. trade with the free world (both exports and imports from) amounted to about \$1 billion. In 1950 it declined to \$545 million. In 1952 it was back about \$943 million. The figures for 1953 were about \$790 million. We have given away annually to our European allies alone several times that much. If the foreign trade amateurs apparently surrounding Mr. Stassen would be replaced by men with practical foreign-trade experience, not just book learning, a way could be worked out to satisfy the international trade needs of our friends in Europe and at the same time clamp down a complete and tight embargo against all, absolutely all, shipments to the Soviet bloc. A combination of the know-how and a fearless determination to hit the enemy where it will hurt could bring that about very easily. But the will must be there first.

WHOM DID WE RECOGNIZE?

American statesmen, Democrats and Republicans alike, between 1917 and 1933 did not have to become diplomatic bedfellows with the Communists in order to find out the true nature of the Kremlin beast. They had known from the writings and utterances of the Communist leaders beginning with Karl Marx and ending with Lenin and Trotsky that a government headed by such people could not and would not live up to its international obligations, that the world could not remain half free and half slave. They therefore steadfastly refused to compromise with evil and would not bow to any demands for recognition. It was evident to them that a government which would not fulfill its pledges to its own people could not possibly be expected to treat us any better. They knew that the Communist regime, as mentioned before, had promised bread to its people and has given them perpetual hunger; it promised peace and has given them uninterrupted war at home and abroad; it promised land to the peasants and has robbed them of all of it, murdering millions of resisters in the process, bringing upon the Russian peoples a famine which decimated millions more in the cities; it promised freedom from oppression and exploitation and has instead established the most inhuman system of exploitation ever known to mankind. The American statesmen of a wiser era—from Woodrow Wilson and including Herbert Hoover—refused to have anything to do with such a regime. We all now know how right they were.

Whom did we really recognize? Let us lift just a tiny corner of the Iron Curtain and see the nakedness of the Communist regime.

Between 1881 and 1913, a period of 32 years, there were a total of 4,446 executions in the whole of Russia under the Czar's government. Not one of them was executed for political offenses. All of them were serious criminals. But during the first 3 years of its reign, the Soviets exterminated over 300,000 men, women, and children. As it became entrenched, it raised the number of murders it committed.

The sailors of the Fortress of Kronstadt, right outside of Leningrad, played a decisive role in helping the Lenin-Trotsky gang to wrest power from the weak-kneed Kerensky provisional government in November 1917. By the time the year 1921 turned up they were so disillusioned, those plain sons of the peasants and workers, that they staged a revolt demanding the original pledges of the Communists be translated into action, namely: power to the workers, peasants' and soldiers' deputies, land for the peasants, a government o' law and not of edicts,

freedom of press and assemblage, justice, and liberty. For that they were ruthlessly destroyed by the Lenin regime. Since then there have been numerous revolts, all of them drowned in the blood of the people. The peoples of Russia have never recognized the Soviet Government as the legitimate government of the country and never will. The more the people rebelled the more ferocious the atrocities of the regime. We will now visit a few Russian cities to witness communism in action. Our first stop is Kharkov. It is October 18, 1941, and Hitler's armies are rolling irresistibly onward. Millions of Russian soldiers have already surrendered, refusing to fight for Stalin and his Communist Party. On the corner of Chenishevsky and Sovnarkomsky Streets stands a building occupied by the dreaded secret police. It has 4 stories under and 4 above the ground. It is equipped with the most modern crematorium to burn the bodies of the condemned without trial, without proof of guilt. A cordon of armed men is thrown around the building. An official sets the building, filled with men and women, on fire. As the flames rise the cries of the victims are piercing the thick walls of the fastness holding them. Some dare to come to the windows and are immediately fired upon. In due time the building is all in ashes mixed with that of the prisoners. None escaped.

The perpetrators of this crime are the diplomatic bedfellows of the Government of the United States.

We now take you to Vinitza in the Ukraine. One of the perennial purges by the Soviet Government is in full swing. For possessing a textbook in a foreign language, for corresponding with a relative or a friend in a foreign country, for oversalting pickles on a collective farm, for inability to produce in the factory or mine according to the heavy schedules imposed by the Kremlin masters, people are being rounded up by the thousands, herded in jails, sent off to certain death in distant slave labor camps, or executed in the local houses of detention.

The local jail in Vinitza is filled to overflowing. Rooms designed to hold 16 or 18 people now have a hundred or two hundred. For weeks these people have been standing on their feet. Some have dropped dead or fainted from exhaustion and the stifling air. But more and more victims are constantly arriving from the provinces. The Kremlin is teaching the Russian people to remember who is boss of Red, unholy Russia. Then word comes from Moscow to start liquidations.

Executions take place nightly. After sundown groups of inmates are marched down to the garage below. Heavy duty trucks are running their engines with throttles wide open to drown out the cries of the victims and the pistol shots of the Kremlin murderers. The men and women are ordered to strip to the waist. Prisoners are ordered to face the wall. Kremlin agents tie the hands of the victims on the back, just as the murdered Americans in Korea were found with their hands tied on their back. This is one of Moscow's inventions. As this is done, other agents move from one standing prisoner to another and fire bullets into the back of their heads. Presently another batch of prisoners is brought down to the garage and ordered to load the dead bodies into the roaring trucks. The butchered prisoners are then rushed to the former pear orchard near Vinitza or to the old cemetery and thrown into mass graves. This performance continues throughout the night. At dawn the bloodstains on the pavement en route to the burial grounds are covered with sand by police agents.

In 1943 the mass graves were opened by the Germans. The whole city was affected by the stench blown by the wind from the direction of the pear orchard and the old cemetery. The local population had been complaining about it to the German occupation authorities, and they gathered a commission of doctors from Belgium, France, Holland, Bulgaria, etc., to witness the opening of the graves. A total of 9,432 bodies were found. From far and wide people streamed to Vinitza in search of the body of a relative. Among them was Anna Godovanyets. Her husband had been taken out of his home in the middle of the night and she had never heard from him. She had written to Stalin for the whereabouts of her husband. In time she received a reply from the notorious Vishinsky, then chief prosecutor of the Soviet slave state, stating that her husband had been released. Of course he was lying. Isaak Kasyanovich Godovanyets had been released from his suffering, to be sure, since his body was among the excavated thousands.

This, Mr. Chairman, is the work of our diplomatic bedfellow—the Soviet Government we recognized in 1933 and still maintain friendly relations with. A person is judged by the company he keeps. How should we be judged for keeping company with these wholesale murderers? What happened in Vinitza is a mere sample of what has been and is going on in the Soviet Union as a

whole. It is a pattern of the way the Kremlin maintains itself in power, and this is bound to continue as long as the civilized world continues to deal with those barbarians.

The scene now shifts to Yoozovo, an important railway junction. Since 1940 there has been in existence in Russia a child-slave labor system. Boys of 12 to 18 and girls from 14 and up are recruited in the same manner as soldiers and shipped to distant points from their homes to be pressed into so-called labor reserves where they are dehumanized into robots to do the bidding of the Soviet masters. Such a school with about 700 youths was in Yoozovo at the time Hitler was moving in seven league boots toward Moscow. The boys were bitter against their government for having been torn from their parents and their home environment. Unable or unwilling to evacuate the boys to safe places, orders came from Moscow to liquidate them.

Toward sunset, a company of secret police armed with automatic rifles drove them down to the outskirts of the city, in a nearby forest, and mowed them down with machineguns. A handful of the boys managed to escape in the darkness to bring the account of the massacre to the world.

The murderers of these children are living happily within a few blocks from our White House—in the Soviet Embassy. With the murderers of these and countless thousands of other children in Russia we are sitting at the conference table to bring peace to the world, to assure the independence and the freedoms of other peoples. What a farce. What a disgrace.

Our recognition of the Kremlin regime was the most priceless gift bestowed upon our deadliest enemy. It was all the more inexcusable because the Communists had never made a secret of their true designs. "We have never concealed the fact," said Lenin, "that our revolution is only the beginning, that it will lead to a victorious ending only then when we shall have inflamed the whole world with its revolutionary fires" (pp. 22-23, Collected Works by Lenin, Russian edition).

Within days after recognizing this nightmare high officials in our Government knew that a serious blunder had been made. Why an upright man like Secretary Cordell Hull permitted this to go on unchallenged remains a mystery. Today it is plain to anyone who has eyes to see and a mind to think that there can never, never be peace on this earth as long as the Soviet regime survives. And our continuing to deal with that Government is the greatest contribution toward its survival and to make it possible for them to become stronger in order to carry out Lenin's grand design which you will find in volume X, Collected Works by Lenin, page 172:

"First we will take Eastern Europe, then the masses of Asia. Then we will encircle the United States of America which will be the last bastion of capitalism. We will not have to attack it; it will fall like an overripe fruit into our hands."

If still further proof is needed to insure passage of Senate Resolution 247 and relations with the Soviet gangster government severed, let us turn to this 1,000-page volume published by the State Department in 1952, entitled: "Foreign Relations of the United States—The Soviet Union 1933-39."

We learn from this book that we struck our head into the Red leopard's mouth with our eyes wide open. On October 4, 1933, 6 days before President Roosevelt started the negotiations, Mr. William C. Bullitt sent a memorandum to the then Secretary of State Cordell Hull in which he wrote:

"Before recognition and before loans, we shall find the Soviet Government relatively amenable. After recognition or loans, we should find the Soviet Government adamant."

Upon arrival in Moscow as our first Ambassador, Mr. Bullitt did not have to wait long before finding the realization of his prophecy. In his dispatch to the Department of August 21, 1935, he wrote:

"To break relations would satisfy the indignation we all feel and would be juridically correct." [Italics mine.]

And then his Christian upbringing asserted itself in dealing with a power which set out from the very beginning of its career to destroy all that Christianity stands for, and Mr. Bullitt wrote: "But in my opinion this question should be decided neither on emotional nor juridical grounds but on the basis of a cold appraisal of the wisest course to pursue to defend the American people from the efforts of the Soviet Government to produce bloody revolution in the United States."

One must forgive the able Mr. Bullitt for this mistake. The above lines were written long before the then Communist delinquent had matured into the inter-

national and dangerous criminal he is today. Bullitt could not possibly have foreseen the ravages the Soviet regime would bring to the world within 5 years. But even then Mr. Bullitt failed to tell us how maintaining an Embassy in Moscow could defend the American people from the Soviet efforts to produce a bloody revolution in the United States which seemed to be his principal concern at the time. I am sure that were he free to talk to the rank and file of the Soviet peoples, they would have pleaded with him to break relations at once and drive their spies out of the United States. That would have been a severe blow to the prestige of the Communist regime. Had this step been taken in 1935-36, when the subject was being discussed inside the Government, the world might have been a much happier place to live in today.

Unfortunately Mr. Bullitt had many other rather weak reasons for not breaking relations at the time. In the same report he wrote:

"If we should sever relations now on the ground that the Soviet Government has broken its pledged word to us and cannot be trusted, resumption of relations would be inordinately difficult. * * *"

This is rather pointless. The British Government was among the very first to recognize the Moscow regime after 1917. But in 1927 it discovered the mistake and broke relations. Yet it did not prove "inordinately difficult," as Mr. Bullitt feared, for them to resume the unhappy relations again. Why would it have been different in our case? The only reason I can think of is that he possibly feared that once the American people learned of the conditions that prompted us to make the break they would not have permitted our Government to make the mistake a second time. In the same report, Mr. Bullitt continued his irrational rationalizing when he said:

"In this decade the Soviet Union either will be the center of attack from Europe and the Far East or will develop rapidly into one of the greatest physical forces in the world. In either event an official observation post of the United States Government in Moscow will be desirable, to inform the Government in the United States with regard to activities of the Soviet Government directed against the lives and interests of American citizens."

Mr. Chairman, I have lived in Moscow during those years, I have found the embassies there, including our own, to be nothing more than prisons for their occupants. Can you have an observation post in a prison if you are one of the prisoners? Quite unwittingly, apparently, Mr. Bullitt provides the answer in his very next paragraph:

"American diplomatic representatives in the Soviet Union are harassed and restricted. * * * As the Soviet Union grows in strength it will grow in arrogance and aggressiveness. * * *"

And less than 7 months later, on March 4, 1936, to be sure, he further dwelt on the difficulties of living with the new partner when he said:

"I had a good deal during last winter to try my patience, for the Government possesses in an exquisite degree, the art of worrying a foreign representative without giving him even the consolation of an insult. The position as an Ambassador here is far from being pleasant * * * He can rarely obtain accurate information until events have transpired * * * His own movements are closely observed by eyes that he never sees * * * If therefore I do not write as often as may be desired, this is my apology. And if I do not furnish matter of more interest it must be attributed, in part at least, to the great difficulty of obtaining correct information. No courtesy or liberality is shown in this particular by this Government * * * Nothing is made public that is worth knowing * * *"

And more to that effect. Did he really have to suffer the annoyances and insults while our State Department here was according the Soviet Ambassador the greatest freedom and courtesies? Since all relations between governments are based on the principle of reciprocity, wasn't there a single official in the upper echelons of our Government with guts enough to remind the Kremlin that either they treat our representatives as they should be or the Soviet officials would be given the same Kremlin treatment? Not until very recently did our officials wake up to this line of thinking. In the meantime our pussyfooting had done the damage.

The Soviet Government would never have become the menace she is today in so brief a period of time had it not been for the opportunities offered by our grave error of 1933 in opening to her the vast storehouse of our technological know-how. And what sort of treatment did our technicians get from the Soviets? In a memorandum of November 24, 1937, Mr. George F. Kennan, later our Moscow Ambassador, wrote to the Department:

"In 1935 written assurances were given by the Soviet Foreign Office to the Embassy to the effect that American nationals about to depart from the Soviet Union would be permitted to be present during the examination by the Soviet customs of drawings, plans, and similar documents in their possession. Nevertheless, in the current year we have witnessed the violation of these assurances in the case of engineers of Radio Corporation of America working in the Soviet Union and the retention by Soviet authorities of drawings, plans, etc., for periods long enough to permit copies to be made. There is good reason to believe that papers taken by the Soviet authorities from American citizens have led to the infringement of important American patents."

Having been treated as a sort of sacred cow for the first few years after recognition, the bully in the Kremlin felt sure that he could get away with anything, and made no mistake in so thinking. For some inexplicable reason our officials were so eager to hang onto the Embassy prison in Moscow that they were willing to compromise with any wrongdoing on the part of the Kremlin, and knowing that the Kremlin treated us as we rightly deserved, with contempt. We have no one to thank for that but our own ignorance and, one might even say, cowardice. And, while our engineers were not permitted to take out their own property in the form of blueprints and drawings, we permitted the Soviet agency in New York, the Amtorg Trading Corp., to ship truckloads of such drawings stolen or bought under false pretenses.

The time for Mr. Bullitt to leave the Soviet Union was nearing. He then sent a word of warning to the Department to guide it in its future dealings with the Kremlin, which, of course, fell on deaf ears. He wrote in his report dated March 4, 1936:

"We should not cherish for a moment the illusion that it is possible to establish really friendly relations with the Soviet Government or with any Communist party or Communist individual. It is difficult to conduct conversations with the Soviet Foreign Office because in that institution the lie is normal and the truth abnormal and one's intelligence is insulted by the happy assumption that one believes the lie."

The fact that the officials of that period did not have the good sense to put an end to such an unhappy relationship should not influence our thinking now when we know the utter futility of so doing. Of what earthly good is it to maintain an Embassy when we have to deal with paranoiacs and liars, with men devoid of any decency or courtesy, in a country where the Ambassador, as Bullitt admitted, "can rarely obtain accurate information," where the Government does not want to have any friendly relations with us?

You, gentlemen of this committee, hold the answer: Pass Senate Resolution 247 and force the issue of severing diplomatic relations without further delay.

I was in Moscow when Mr. Bullitt's successor, Mr. Joseph E. Davies, arrived on or about January 12, 1937. We met 4 days later, and on January 19 he wrote a significant report to Secretary Cordell Hull. He spoke of his conference with Soviet Ambassador in Washington, Alexander Troyanovsky, before leaving:

"The writer stated to Ambassador Troyanovsky," wrote Mr. Davies, "that if the surprising history of these subsequent negotiations as disclosed in the files of the State Department were known to the American public as they were to me it would result, in my opinion, in a most serious destruction of confidence and good will the general public of the United States now felt toward Russia, and I then stated also that it was fortunate that there was no probability of such disclosure. * * * The Ambassador appeared somewhat downcast but made no attempt at rejoinder." [Italics mine.]

It was indeed fortunate for the Kremlin gangsters that the American public and possibly a good many Members of the United States Congress remained in ignorance. But it certainly was most unfortunate for this country. Whom, then, did the men responsible for this blunder serve—America or Russia? You know the answer.

By the time the Second World War flared up and the invasion of Russia by Hitler became inevitable, our State Department files were bulging with valuable information on which to guide us in making sound decisions as to how to deal with the Kremlin criminals. As example, permit me to quote from Bullitt's report of July 19, 1935, in which he wrote:

"Diplomatic relations with friendly states are not regarded by the Soviet Government as normal friendly relations but armistice relations, and it is the conviction of the leaders of the Soviet Union that this armistice can not possibly be ended by a definitive peace but only by a renewal of battle. The Soviet Union

genuinely desires peace on all fronts at the present time, but this peace is looked upon merely as a happy respite in which future wars may be prepared.

* * *

"To think of the Soviet Union as a possible ally of the United States in case of war with Japan is to allow the wish to be father to the thought. *The Soviet Union would certainly attempt to avoid becoming an ally until Japan had been thoroughly defeated and would then merely use the opportunity to acquire Manchuria and Sovietize China.*" [Italics mine.]

These prophetic warnings should have guided our relations with Stalin at Yalta and Potsdam. America's history today would have been a much happier one, I assure you. We are now paying dearly for those blunders and for the negligence in not properly evaluating Bullitt's warnings and in not making public years ago the true state of affairs between our Government and the Kremlin. I deem it of utmost importance to discuss these facts now in the hope that present incumbent in the State Department will not continue the blunders, as from now on the consequences to us might be far more frightful than heretofore.

Mr. Chairman, a year and a half had elapsed since our new Ambassador, Mr. Davies, reached Moscow. He got a taste of the Moscow prison walls. Despite that his oceangoing yacht riding the calm waters of the Baltic Sea was always at his disposal to lighten the torture of doing his stretch in the Moscow prison by taking trips outside the stifling Moscow atmosphere, he felt he had had enough of life in the Communist paradise. On June 6, 1938, he sat down to dictate dispatch 1932, his swansong:

"In view of the shrinkage of the number of American citizens now in the Soviet Union and upon many other grounds a strong argument, from certain points of view, might be made that the continuance of diplomatic relations here is unnecessary under present conditions and inadvisable."

Had he stopped right there, he would have been forgiven for many other blunders made by him while Ambassador and afterward. But he counseled continuance of relations because "the Japanese attitude in the Pacific," ignoring completely Mr. Bullitt's warnings of 2 years before that "To think of the Soviet Union as a possible ally of the United States in case of war with Japan is to allow the wish to be father to the thought." That is precisely what happened, as we now know. They joined the war against Japan when that country had been "thoroughly defeated," as Bullitt had forecast, and did it in order to "acquire Manchuria and Sovietize China," as farsighted Bullitt had warned. Mr. Davies had full access to the files and ignored them. Not only did he ignore the sounder counsel of a diplomat whose stature Mr. Davies could never live to attain, but he made himself ridiculous when in the very same report of June 6, 1938, he told the State Department:

"As for ourselves, this system is a tyranny, clothed in horror. While a dictatorship of the most ruthless and cruel type exists here, it appears to differ from a Fascist dictatorship, at least in one respect. Dictatorship over the proletariat is not the objective or end this system profess to seek, as is the case with Fascist ideology. The fact of dictatorship is apologized for here."

This is balderdash of the rankest sort. Mr. Davies, it would seem, had swallowed hook, line and sinker the falsehoods dished out to him by the Soviet officials. Is it any wonder that the whole history of our relations with the Soviets issues a stench enough to reach the most distant stars?

The Russian peoples know the meaning of the Soviet apologies for the dictatorship over the proletariat. They have been living with it for over 36 years. They know it through the feel of the bullet as it pierces through the back of the skull; they have been feeling it in the slave-labor camps by the millions; they have been feeling it on the collectivized farms and in the socialized mines and factories; they feel it when there is a knock on the door in the dark of the night and a loved one is torn away never to be seen again; they feel it—but what is the use to enumerate more? Mr. Davies was not aware of those "blessings" in Moscow's empire and accepted the apologies of the Soviet officials and the assurances that the dictatorship is not of lasting nature. It might be well to remind such people that we have been promised that this dictatorship will last until the whole world has been communized, and that includes the United States. If we want to hasten this process, then let us continue the diplomatic relations with the enemy.

I am wondering how many there still remain in the State Department who are as utterly ignorant about the Communist menace as Mr. Davies was when he was our Ambassador? If there are, I fear that Senate Resolution 247 might

remain a pious wish even if it is passed. Should that, God forbid, be the case, there are some people in this country who would undertake to secure ten or more millions of signatures to thwart the obstructors.

What is really the thinking of the Russian people on this question of their totalitarian regime? I think in any of our dealings with the Kremlin we must be guided by what reaction our words or deeds would produce in the minds of the Russian peoples. They are going to decide the fate of the world one day when they rise to destroy their tyranny. In all our plans we must consider their wishes and not those of their oppressors. I should like, therefore, to offer a few examples and from the mouths of Russians born and reared under the Kremlin regime. Here is what Maj. L. Ronzhin, a recent Soviet escapee from his post in Eastern Germany, said:

"Everywhere I had occasion to be since my early adulthood * * * I have seen the one and never-changing picture of naked poverty, inhuman toil, semi-starvation on a wage which is barely enough to buy bread and potatoes, and even that in insufficient quantities.

"One 5-year plan followed another, but the picture changed only in detail. The Communist power continues to rob and oppress the people, to lie, lie, and lie * * *. The miracles performed by our patriotic heroes during the war against the German invaders brought victory, but this has not brought us out of our eternal want and lawlessness by the Government. Everything remained the same after the war. The only change made is the address toward which the main stream of propaganda of hate is directed. Formerly it was addressed to Hitler's Germany; now it is addressed to America. However, the Fascists we hated without propaganda, but toward the American Nation and its Army, our people are filled with the most tender feelings, and for some very good reasons * * *. We remember well the bread and the meat, the clothes and medicines, the guns and tanks and ships and bombers America sent us to help us win the war * * *."

I repeat, this is the voice of the Russian people, this is the voice of the Communist generation, and, above all, the voice of a man who had everything given to him by the Communist Government—education, trust, position, and all the good things that life can offer. But he has sacrificed it all for the purpose of coming to the West to help us fight against the enemy planning to destroy us. We had better heed such men or we, too, will be where the 800 million are behind the Iron Curtain.

Is the Soviet abscess ripening? What are the feelings of the millions of Soviet soldiers? Major Ronzhin has the evidence. Entering his office one morning with the occupation army in East Prussia, he found a letter slipped under the door. It read:

"We are convinced that you will not turn this letter over to your political commissar. Such action would be bad for you, as it would be directed to the political department of the army and you would suffer, too. And now to the point:

"All the political indoctrinations, political information, prosecution and persecution by the political commissar, bringing in the counterspies, barbed wire, and locks on the gates—all that has become so repulsive to us that we are now on the verge of open defiance and desertions.

"You don't know and neither does the political commissar that at night, when we are on guard duty, we permit our buddies to go visiting their girl friends and they do the same when they stand guard. We do this although we know that we are liable to get 5 to 10 years in prison for such action.

"We therefore ask you, comrade officer, to explain to the higher command that it would be wise for them to remove the oppressive restrictions from all soldiers in the army of occupation in Germany.

"And now: Do we correctly understand communism? We lived before the revolution in very bad circumstances. That was prior to socialism. Our material conditions did not improve under socialism. But here in Germany, visiting German homes we notice: A family of three or even a widow with a son or a daughter. They have a living room, dining room, bedroom, a kitchen with electric stove, a bathroom with modern facilities. In other words, a home of 3 or 4 rooms. The rooms are well furnished with soft furniture, with rugs on the floor, radio, and some even have an automobile.

"We have therefore come to the conclusion that here, apparently, communism was established long ago. Hence not we have anything to teach them how to live comfortably, well, and happy, but we should learn from them.

(Signed) YOUR SOLDIERS."

Major Ronzhin added: "I escaped to the West to fight for the freedom of my fatherland and all its peoples."

Victor Mayev, another officer who has escaped from the Soviet army of occupation in Germany, has this to tell us:

"Early this year I was still wearing the officer's uniform of the Soviet army of occupation in Germany. Meeting me on the streets of the town where I was stationed, Germans no doubt thought to themselves: 'Here he goes, the Russian occupationist—the source of all our misfortunes and unhappiness.' At that very moment I was trying to find my place in the ranks of fighters against communism, in the ranks of fighters for a brighter future for my people * * *."

"How many in the Soviet Army think similar thoughts? As a former ranking officer of the Red Army, I take full responsibility for declaring that the majority of that army was never in sympathy with and never approved of the anti-national policies of the Soviet Government and the Communist Party * * *"

"Dissatisfaction of the people and the Red Army with the policies of the Government is growing hourly. This is particularly true of the armies of occupation in Germany, Austria, and the satellite nations. The Government is treating its military personnel like semiprisoners. They are isolated from the local population. It is trying to inoculate the Red Army with the poison of distrust and hatred for the people in the occupied territories. But Europe is the best school for the Soviet private and officer. There they see vividly the whole deception and the falsehood of the Soviet propaganda * * *."

Igor Matrosov, another recent escapee from the Soviet Union, offers some food for thought, if we here will only listen to this ringing voice of the people whose friendship is so badly needed in order to rid the world of the Soviet nightmare:

"The free world must take full advantage of the opportunity to assist the Russian people to destroy the enemy of all mankind—communism. We are not suggesting war. We are not asking for arms and ammunition. We need the moral and psychological assistance which the West can and should give us * * * Not one decent and honest person in the world wants war. But peace cannot be bought; we must fight for it * * * That is why the attempts of people in the West to come to terms with the Kremlin are totally inconceivable to us Russians. With stupid compromises the West can only rescue Bolshevism from destruction * * *."

In view of our experience with the Soviet Government since we took the fatal step by recognizing the regime more than 20 years ago, in view of the attitude of the vast majority of the Russian peoples who are ready to tear their Government to tatters, in view of the mischief the Communist hierarchy in Moscow has been doing to us and the other civilized nations through their stooges in our midst, it is indeed a privilege to congratulate the authors of the resolution under discussion here, Senate Resolution 247, introduced by Senators William E. Jenner and Pat McCarran urging the administration to sever relations with the enemy of mankind—the Soviet Government. If adopted and the break takes place, it will electrify our hundreds of millions of allies behind the Iron Curtain, it will inspire them to carry on their struggle with our common enemy, it will convince them that we are their true friends, that the West has finally seen the error of its ways by dealing with a force which is out to destroy all the moral and spiritual values created by men throughout the millenia. And at the same time it will bring consternation to the dictators and the despots. We must not help the Communists to prolong the agony by rescuing them by selling them the much-needed consumer goods and machinery to continue the stranglehold upon their victims. To act otherwise might lead to catastrophe, as it might force the peoples behind the Iron Curtain to make peace with the despots. And that is precisely what the Kremlin wants. Losing faith in our determination to resist the spread of the evil Communist force, and the way the West has been handling the millions of Communist fifth-column members in their own countries is certainly not conducive to thinking that we are fully alive to the gravity of the situation, and might lead the oppressed tens of millions in Russia and the satellites to the conclusion that we are hopeless. We must not permit this to happen. Breaking relations now is the only sensible thing to do to prove with deeds and not mere rhetoric.

Today a year ago the East German people rose spontaneously to defy their Communist puppet government and the Soviet occupation forces. Russian soldiers and officers preferred facing a firing squad rather than shoot down the protesting workers of East Germany. The rebellion, to be sure, was put down by the overpowering Soviet forces. But the example has been shown to the rest of the victims throughout the Soviet bloc, and it will not be forgotten if we in the

West are smart enough not to let it die down. And one of the first and major steps is the severing of diplomatic relations not alone by this country but the entire civilized world as a bloc. If this is accompanied by the tightest and completest trade embargo, it will not be long, I am sure, before the masses behind the Iron Curtain will end their nightmare without the shedding of American blood, without bending our backs in providing the tens of billions of dollars which will otherwise become necessary in order to establish ourselves as a garrison nation and in order to prop up our weaker allies.

In conclusion I should like to give a word of caution. The Kremlin liars will try to use the breaking of diplomatic relations in their propaganda campaign to tell their people that we are preparing to wage war upon them. From now on we must make it clear that we are taking this step on strictly moral grounds, that we don't want to deal with the murderers of the Russian peoples, their oppressors and exploiters. We must tell them that we want to help them regain their freedom, regain their land, their religion, and their place among honorable peoples of the world. We must tell them that we cannot permit criminals like Vishinsky and Panyushkin, whose hands are dripping with the blood of the Russian peoples, to tread the sacred soil of a God-loving nation like the United States. We can and must assure them that once they, the people, have overthrown their illegitimate government and established one on the principles of true democracy based on the free expression of the citizens by means of free and secret ballot, a system of government where the individual citizen is the sovereign and not the bureaucracy, then we will welcome with joy their representatives and work hand in hand for lasting peace and human progress.

Mr. ARENS. Mr. Marcus, will you kindly give the committee a brief résumé of your background and experience with particular reference to the contacts and experience you have had in Soviet Russia?

Mr. MARCUS. I began my international career in the Bureau of Foreign and Domestic Commerce in 1917. I came to this country from Russia, old Russia, in 1910 as a young immigrant boy, and went to work as a blacksmith. Three years later I was the youngest immigration officer in America, at Galveston, Tex.

After passing an examination for commercial attaché, by some accident, I was called by the FBI to work for them in Chicago, and finally landed in Washington.

In 1920 I resigned, to go to Russia—

The CHAIRMAN. The FBI, you say? At that time there was no FBI.

Mr. MARCUS. At that time it was known as the Bureau of Investigation of the Department of Justice.

In 1920 I resigned, to go to Russia as the first American relief director for an American organization.

The CHAIRMAN. Go ahead.

Mr. MARCUS. Between that time and the outbreak of the Second World War I had occasion to be in the Soviet Union on 14 different occasions as a representative of such firms as the Studebaker Corp., the American Hair & Felt Co. of Chicago, the American Radiator & Standard Sanitary Corp., the Reed Container Corp., and similar firms, that brought me into contact with the leading people in Russia in the industrial and commercial field of the Soviet Government. One of them I might mention, Anastasi Mikoyan, the present head of the Ministry of Trade, and close collaborator of Stalin, and now of Malenkov.

I have seen the Soviet Union arise from the ashes. In 1925, for instance, the vice chairman of the board of the Iron and Steel Trust of Russia begged me to find a capitalist in America who would lend

him \$750,000 to buy machinery and equipment, they were so poor at that time. Since then they have risen to a terrific power, not because they are so capable—they are; I am not in any way underestimating them—but because of the aid they have received from America and the western nations by hook or crook, mostly the latter. They have stolen from us the entire industrial technology for the heavy industries. As a result of recognition in 1933 we threw open to them our laboratories and our plants, and they just helped themselves to it.

Senator WELKER. Then you would not say they had stolen it. As a matter of fact, they received it as a gratuity.

Mr. MARCUS. Well, they received it as a result of the ignorance of our people. I will give you one example. May I give you one?

Senator WELKER. Answer the question. Since we opened the door for them I cannot assume that that would be classed as stealing.

Mr. MARCUS. We opened the door for them and it was under false pretenses. They dangled billions of dollars of trade to us prior to recognition, and our people were hungry. Our factories, some of them were idle. And we wanted to get orders from them. And the Russians said, "Sure, we will give you orders. You sell us machine so-and-so, and with it we will take the blueprints and the shop drawings."

And as a result of that they never came back for that same machine or that same type of machine.

I will give you one very concrete example. My boss in the American Radiator & Standard Sanitary Corp., Mr. Clarence M. Wooley, the chairman, called me in one day and introduced me to the late chairman of the York Ice Machinery Co., Mr. Shipley. Mr. Shipley told me a story that for 3 years he had been trying to get business in Russia and couldn't do a thing. So he brought in his engineer and told me the story. He had been to Russia on two occasions and taken with him trunks full of blueprints and shop drawings to show them what they were producing. Then the company, the York Ice Machine Co., received their engineers in their own plant.

Nothing happened.

And I said to Mr. Shipley, "Why should there have been orders given to you? You have given away your entire technology."

Repeat that by the hundreds and hundreds of plants and you have the story.

Mr. ARENS. Mr. Marcus, will you tell a little later on in your testimony with respect to other espionage operations of the Soviets?

Mr. MARCUS. Yes, sir.

Mr. ARENS. Now, for the purpose of your background and building the background of your own life, you are presently identified as a director of the American Friends of Russian Freedom, Inc.

Mr. MARCUS. Correct. I am a member of the board.

Mr. ARENS. In that organization are such men as Gen. Frank L. Howley, James O'Neil, Gen. William Donovan, and others of like character.

Mr. MARCUS. Admiral Standley, who was American Ambassador to Russia, Admiral Maxwell, and Spruille Braden, and many others.

Mr. ARENS. You have discussed with the staff off the record the contacts you have with the underground, the anti-Communist underground behind the Iron Curtain.

Mr. MARCUS. That is correct.

Mr. ARENS. And you and your associates are in contact with that underground operation?

Mr. MARCUS. Correct.

Mr. ARENS. Now, Mr. Marcus, may I explicitly invite your attention to the general subject matter of the Soviet interest in east-west trade, the so-called Russian trade offensive, and ask you, on the basis of your background and experience, what you feel is really behind the alleged Soviet interest in east-west trade.

Mr. MARCUS. I sounded the alarm about this coming offensive before Stalin died in 1952, and here is an article which was published in a trade magazine called *Export Trade and Shipper* in 1952. The purpose of this east-west trade offensive—

Senator WELKER. Excuse me. May that be incorporated by reference only?

The CHAIRMAN. By reference, it may go in the record.

(The article referred to was marked "Marcus Exhibit No. 1" and filed for the information of the committee.)

Mr. MARCUS. The purpose of it is to steal our light industry technology, just as in the case of the heavy industry. They bought samples and that was the end. And today they are already competitors of ours in India and many other countries of the world, and in South America.

I am glad you brought that up because we have got to discuss it very carefully.

The Soviet Government is scared to death of a war with the United States. If war broke out today that would be the end of the Soviet Government because their people will tear them to death. Now they want to destroy the United States without a war. One way is to encircle us. And on page 172, volume 10, in *Collected Works* by Lenin in 1923, before he died in January 1924, he said as follows, and I quote:

First we will take eastern Europe, then the masses of Asia; then we will encircle the United States, which will be the last bastion of capitalism. We will not have to attack. It will fall like an overripe fruit into our hands.

Korea, China, Indochina—all that is a part of this philosophy of avoiding a clash with us so that they will not be destroyed by their own people.

This is one way, and they are succeeding magnificently.

The second way is by destroying our \$25 billion international trade.

Mr. ARENS. In other words, is it your suggestion that the second reason for the Russian trade offensive is to establish a ruinous competition in world markets?

Mr. MARCUS. Correct.

Mr. ARENS. To the United States?

Mr. MARCUS. Absolutely.

Mr. ARENS. Will you kindly, on the basis of your background and experience, give us your best judgment and appraisal of that phase of the Russian trade offensive?

Mr. MARCUS. Yes, sir. Right after Stalin's death they started in buying consumer goods. Now, right after the war, the Russian people were in such dire need of consumer goods and yet they did not get it. For over 3 decades they have been living on the barest sub-

sistence, living in the most primitive conditions. And I have been all over Russia.

The CHAIRMAN. How recently have you been in Russia?

Mr. MARCUS. Just before the Second World War. I am in constant contact with escapees, and in a few minutes I will give you a statement by Major Ronzhin L. Rozhin, who escaped recently. This is a picture of the major.

Mr. ARENS. You have, as you have indicated, underground contacts through this organization of which you are a member of the board of directors.

Mr. MARCUS. Correct.

Why do they do this? For the very purpose to buy samples of our consumer goods. But that is not all. There is also a tie-in arrangement. "If you will sell us the consumer goods we also want the machinery producing the consumer goods."

And when they buy the machinery to produce the consumer goods they also want the shop drawings and the blueprints. And, having that, that is the end of it. Then they can use their millions of slaves, and the millions of slaves in China, and their raw materials don't count because that is also being produced by slaves. This is to out-produce us, to flood the world markets. There is a psychological reason in it, too. They want to show the people of the world here, "We are producing the finest cars, we are producing the finest shirts and suits and shoes and so on." That has a terrific propaganda value to them.

Senator WELKER. May I interrupt, Mr. Chairman?

The CHAIRMAN. Senator Welker.

Senator WELKER. You made the statement, Mr. Marcus, that they bought certain goods. As a matter of fact, we gave them some tanks and some airplanes and so forth that were very easily copied by them, and they have copied them.

Mr. MARCUS. Correct.

Senator WELKER. And made probably even better airplanes than we gave them.

Mr. MARCUS. And the only person who had the gumption to get up and speak up before the world was our member associate of the board of directors, Admiral Standley, when during the war, the Soviet Government was trying to conceal the fact that the tanks and machinery and planes and food and clothing was being sent by America, so he spoke out and they were compelled, Stalin was compelled thereby to acknowledge the fact that America was sending them.

Mr. ARENS. As president of the Institute of Foreign Trade, have you had occasion to make a study of the trade agreements currently in vogue between the Soviet Union and other countries of the world?

Mr. MARCUS. Definitely.

Mr. ARENS. With what other countries does the Soviet Union at the present time have trade agreements?

Mr. MARCUS. I am going to speak only of the years 1952 and 1953. There are the following countries to which we have been feeding billions of dollars: Sweden, Israel, Italy, Norway, United Kingdom, Netherlands, Iran, Denmark, France, Iceland, Australia, India, Pakistan, Greece, and New Zealand.

Mr. ARENS. You are specific in your prepared statement, but can you tell us in general what commodities or items are involved in those trade agreements?

Mr. MARCUS. Russia is supplying to those countries commodities like wheat, corn, and various other foodstuffs and some raw materials, all of which are obtainable in the United States in abundance as well as in Canada, timber, pulpwood, and so on. Russia is receiving for that ocean liners of 8,000 and 10,000 tons, freighters of 5,000 tons, by the dozens. I have here the number of them enumerated from official sources. Cranes, lathes, all strategic. A \$14 million steel mill, rolling mill, is to be supplied by England to Russia. Electrical equipment running into the tens of millions of dollars.

Here is an interesting thing. Great Britain is to supply the greatest number of ships. It is all enumerated in my testimony. Netherlands, ships; Denmark, ships; one of them is supplying steamers.

Why?

Now when you supply a steamer to the Soviet Union today what does it mean? It means that much steel, that much pressure taken off the Russian steel mills, that much labor taken off, and it is faster. You have 3 countries, 5 countries producing steamers for them. They can get ready for the final clash, as they call it, that much quicker.

Senator WELKER. May I ask a question?

The CHAIRMAN. Senator Welker.

Senator WELKER. Mr. Marcus, in the list of countries with which Russia has had trade agreements I did not notice that you mentioned any of the South American countries. Do you have any information on that?

Mr. MARCUS. Argentina is one. I am sorry I did not mention it.

Senator WELKER. Based upon your experience, and, as I recall your testimony, you are an adviser with respect to international trade?

Mr. MARCUS. Yes.

Senator WELKER. I will ask you what your opinion would be with respect to the Government of the United States sending to a dictatorship in South America a strip steel mill which is capable of not only processing steel but titanium or aluminum and other ferrous metals—keep in mind that I say a dictatorship—that has trade agreements with Russia, and I think it is common knowledge that trading missions from Russia and the satellite countries are all over South America as of this moment, sir.

Mr. MARCUS. Correct.

Senator WELKER. Can you comment on that, sir?

Mr. MARCUS. I happen to be the one who wrote a memorandum in November 1933, when I was, for a short time, foreign trade consultant in Washington, entitled "How We Ourselves Destroy our Foreign Trade." Today there is a great deal of talk about investments abroad. And I say to you gentlemen that it means "invest abroad and lose your shirt."

That is, to my mind, a crime. We should not sell anything of that sort to any country unless the production will help raise the standard of living of that country. Now in most instances it will not do so, especially in Latin America. In most instances it is going to be used for the purpose of increasing the foreign trade in competition with America.

Senator WELKER. Further, how could our country be assured that they would use this strip steel mill to raise the standard of living of this dictatorship country, or whether or not it might well be used to help Russia and her satellites?

Mr. MARCUS. The only way is to have it specifically stated in the agreement.

Senator WELKER. All right. What does an agreement mean, Mr. Marcus? Let's be frank. It is a piece of paper that can be torn up. I have heard about agreements ever since I have been in the Senate, and prior thereto. It does not seem to me that Russia keeps an agreement very well.

Mr. MARCUS. Not Russia.

Senator WELKER. Or any other satellite country.

Mr. MARCUS. We were speaking about Latin America, Senator.

Senator WELKER. That is right.

Mr. MARCUS. In speaking about the Soviet Union there is absolutely no possible chance of their living up to their agreements.

Senator WELKER. Mr. Chairman, if you will allow me to inquire further, I want to be informed on this matter.

Mr. MARCUS. Yes.

Senator WELKER. Will you tell me in simple language what the difference is between a dictatorship, say, in our Latin American countries and the dictatorship that we have in Soviet Russia? I will ask you if it is not a fact that it is all based upon socialism. Am I correct?

Mr. MARCUS. Not necessarily. I wouldn't say that Peron is a Socialist.

Senator WELKER. Does not the Government there in Argentina own most everything?

Mr. MARCUS. In the Latin American countries—and this is also based upon personal experience—the dictator is not for personal aggrandizement whereas in the Soviet Union it is for the purpose of sovietizing the whole world.

Senator WELKER. Very well. Assuming this steel mill is bought by the country itself, that would be socialism, would it not?

Mr. MARCUS. Oh, naturally, that is a step toward it.

Senator WELKER. Can you help me on defining what socialism is, how many steps behind communism it is.

Mr. MARCUS. It is the prelude to communism.

Senator WELKER. It is about a half step behind, is it not?

Mr. MARCUS. A little bit more, but it is a step in that direction.

Senator WELKER. Then it is your testimony that, based upon your experience, you think it would not be a satisfactory solution for the protection of this country, for our country to sell to a dictatorship that has trade agreements with Russia and the satellites and Guatemala, a steel mill capable of giant capacity that could very well be used in the United States of America as of this moment, sir?

Mr. MARCUS. Definitely. In my own business I have many a time lost a client by telling him "Don't sell it there. Country must come before profit."

I would like, Mr. Chairman, to call your attention to a very important statement that President Eisenhower made yesterday. A correspondent at the press conference stated that Congressman Martin

Dies told the House yesterday that if we really wanted to stop communism dead in their tracks right now and not just give lipservice to it, that we would cut off from Russia the nonstrategic goods, food and fiber, which it needs most, because he says "She is spending 80 percent of her productive energy for war purposes."

And the President, to my great regret, merely replied something like Mr. Stassen replied to a Senate committee here, I think to the Foreign Relations Committee—the President said we must not consider—this is not quoted—this is from the New York Times—you have to remember that the satellites, including Red China, were, after all, different from Russia.

Gentlemen, not at all. I think somebody is misinforming the President to the detriment of our country. The Soviet Government was the one that brought about the Communist revolution in China and in the satellite countries. Every one of the leaders, from Mao Tse-tung down, were educated in Russian schools. I was in such a school in 1926. I was passing by in Kiev, a military academy. And I walked in as a matter of curiosity. In those days Stalin was not yet in the saddle.

They talked to me. They didn't know whether I was an American or a native Russian from the way I speak Russian.

With great pride they showed me the department in the military academy where they were training Chinese since 1921; they were training Chinese there for the revolution in China.

The Soviet Union has spent hundreds of millions of dollars. The Sun Yat Sen University, the Lenin University, the Far East University. They have turned out as many as 5,000 trainees a year in sabotage, in espionage.

Senator WELKER. You are speaking now about the Lenin School for Sabotage and Espionage and the like?

Mr. MARCUS. Correct. Therefore, to say that they are different is really not correct, you know, and I am afraid that somebody is misinforming.

Mr. ARENS. Is there such a thing as a differentiation, in your judgment, to be made between strategic and nonstrategic material?

Mr. MARCUS. Not even a pin should be considered as nonstrategic.

Mr. ARENS. In other words, everything is strategic in trade with the Soviets?

Mr. MARCUS. Everything is strategic?

Mr. ARENS. Why?

Mr. MARCUS. If you asked the Russian people, if we had the means of speaking to the 200 million people of Russia freely, they would plead with us on their knees, "Please don't come here. Don't sell anything or buy anything from our government."

Many a time Russian functionaries, high functionaries in Russia, when I was there on official business for my corporation, have said to me, "Why do you Americans come here to deal with our government? You are only enhancing its prestige. You are only tightening the noose around our necks."

Time and time again. And I may mention here a name, a fellow by the name Serebryakov, the man who wrote the constitution of the Russian Socialist Federated Republics.

So that is what we are doing in shipping food or machinery or anything of the sort; we are helping the Soviet Government to tighten the noose around the necks of the Russian people. The worse conditions become in the Soviet Union and the satellite nations, the better for us.

Mr. ARENS. Mr. Marcus, have you had occasion to take note of Senate Resolution 247, which was introduced in the Senate by the Senator from Indiana and the Senator from Nevada, which would call for the severance of diplomatic relations with the Iron Curtain Governments, and the convoking of an international conference for the purpose of taking united action to destroy the international Communist menace?

Mr. MARCUS. Yes, sir.

Mr. ARENS. What is your appraisal, as president of the American Institute of Foreign Trade and as a director of the American Friends of Russian Freedom, and as a man conversant in international trade, of that resolution?

Mr. MARCUS. Severance of trade relations—of all relations, diplomatic and trade relations with the Soviet Union, is far too long overdue.

Mr. ARENS. Why?

Mr. MARCUS. I have here a thousand-page book published by the United States State Department in 1952, and if any one of you would read carefully the reports by Bullitt you would have to come unavoidably to the conclusion that diplomatic relations with the Soviet Union is the greatest misfortune to our country.

Mr. ARENS. Why?

Mr. MARCUS. Because it was the greatest gift that America had given to the Soviet Union. No. 1, it gave them world-wide prestige. Right after our recognition, many other countries which would never have recognized them went into action and recognized the Soviet Union.

No. 2, it opened to them the avenues for espionage and infiltration.

Senator WELKER. How?

Mr. MARCUS. Well, we were friends with them. We gave visas to their men. I do not know how many people there are in the Soviet Embassy here, but I will give you a little example.

Australia, which recently had this little incident with the Soviet Government, they had 9 people in the Australian Legation in Moscow; 9, including women and children. How many did Moscow have in Australia? Fifty. And the same thing here. They came here by the thousands. I myself knew several hundred of the Russian buying commissions. They were nothing but spying commissions.

Senator WELKER. May I inquire?

The CHAIRMAN. Senator Welker.

Senator WELKER. Then it is your testimony, I take it, that the Soviet Embassies here are nests for saboteurs, espionage agents, and for the distribution of Communist propaganda throughout our country?

Mr. MARCUS. For no other purpose.

Mr. ARENS. Off the record.

(Discussion off the record.)

MR. MARCUS. I say this, that everyone, Vishinsky, Panyushkin, Gromyko—especially Vishinsky—every one of them are. Their hands are dripping with the blood of men, women, and children.

MR. ARENS. Do you have a particular incident to account respecting the massacre in the Soviet Union, to your knowledge, of a number of children by people who are currently in diplomatic status?

MR. MARCUS. Every one of them who represents the Soviet Government is ipso facto an accessory to the act of murder committed.

MR. ARENS. What was that act? Could you tell the committee about it?

MR. MARCUS. I want to give you three little experiences of acts of our bedfellows, the diplomatic bedfellows that America, a Christian nation, has.

The German armies were moving irresistibly on toward Moscow. They were approaching a very important railway junction. In that city they had a boys' school. It is really a slave labor school to dehumanize children, to robotize them into obedient servants of the Soviet Government. That subject I have treated in an article called *Dehumanizing Children For Soviet Conquest*. They were afraid to leave them in the city because they were very bitter against the Soviet Government for having torn them away from their mothers and fathers. They couldn't evacuate them into a safer place because the rolling system broke down completely.

I am the son of a famous Russian railroad builder, and I know something about the railroad system in Russia. It is the weakest link in the whole structure of their economy.

So at 5 o'clock in the afternoon they rolled up a company of secret police with trucks. They herded the boys into the trucks, drove them out into a ravine and there mowed them down with machineguns.

SENATOR WELKER. In what year was this, sir?

MR. MARCUS. In 1941.

I will take you now to the city of Kharkov in the Ukraine.

THE CHAIRMAN. Do you know this of your own knowledge?

MR. MARCUS. I know this: In 1950 I delivered a speech to about 1,400 Russian escapees in the DP camp known as Schlesheim near Munich. There were people in that city from Yoozovo who told me. A few of the children escaped.

I will take you now to Kharkov. On Sovnarkomsky Street at a certain corner there stood a 4-story building. It had also 4 stories under the ground equipped with the most modern crematorium to burn up the bodies of the executed. And there, just before the Germans were to occupy, the building was surrounded by secret service men, and the building was set on fire with everybody in the building destroyed.

In the city of Vinitza—I am giving you those as examples—what happened in Vinitza and Yoozovo and Kharkov as an example of what has been going on through the years, the famous purge was going on just before the war. And the jail had rooms to accommodate 16 to 18 people, and they were filled with 50 or 100 or 150, and more were being brought in from the provinces, and there was no more room.

So Moscow gave orders to liquidate them. Every night batches of those men and women would be brought down, their hands tied on

their back, just like the American boys were executed by the Chinese in Korea, and as they were having their hands tied other secret-service men would pass by and fire bullets into the back of the heads. Then another batch of prisoners would be brought down from the jail to load those dead bodies into the trucks.

They buried them in a former pear orchard that belonged to a former Russian merchant, or into the old cemetery. When the Germans occupied finally the population began to plead with them that there was a terrific stench coming from the direction of those places, and, in the presence of an international medical commission made up of French, Germans, Italians, and all the other people that they had already conquered, the Germans had conquered, they opened up the graves and found 9,446 bodies. Among them was the body of a man by the name of Godovanyets. His wife has written to Vishinsky asking him what happened to her husband, and he wrote back and said, "Your husband has been released."

Sure, he has been released, released from misery and suffering. He was one of the bodies found in that grave.

This is typical of what has been going on in other countries. You know about the Katyn Forest Massacre of 10,000 Polish officers. It was done with a purpose. To show you how far-sighted, how far ahead they were, in 1942, while America was straining its economy to send them the guns and the bombers and the food and clothing and medicines, while our boys were braving the submarine-infested North Sea to try to deliver that equipment, the Soviet Government was already training soldiers in English and in the method of interrogating American and English prisoners of war.

MR. ARENS. Is it ludicrous to suggest even a possibility that we could sit at a conference table to bring peace to the world with men who have perpetrated these international outrages?

MR. MARCUS. I think it is unquestionably immoral and absolutely to the detriment of the United States.

Senator WELKER. May I interrupt to go back through this testimony. There is some testimony that perhaps I misunderstood. I want it eminently clear in the record as best you can give it under oath.

You have stated that many times Soviet citizens, including high government functionaries, have asked you, begged you to stop trading with Russia. I believe you omitted to say that these high government functionaries were parading as Communists.

MR. MARCUS. That is right.

Senator WELKER. But at heart were bitter enemies of the Communist Government?

MR. MARCUS. Correct, Senator.

Senator WELKER. I wanted to bring that out because you omitted to say that.

MR. MARCUS. That is perfectly true. Do you think this man Serebryakov—he was one of the top men, he was the one who wrote the constitution, as I said, of the Russian Socialist Federated Soviet Republics. He made a remark to me, he said, "I wrote the constitution, and look who is running Russia, this illiterate brute."

Of course, he was taking his life into his own hands. All I had to do was put in one telephone call and he would have been shot. He was shot anyway on February 1, 1937.

Mr. ARENS. May I ask a question or two to clear up some of the areas of your testimony.

Mr. Marcus, what is your reaction to the suggestion that, after all, our Embassies and consulates located behind the Iron Curtain are listening posts for information for our Government?

Mr. MARCUS. Gentlemen, is there a listening post in a prison? Our Embassies have been, are, and will continue to be, as long as we maintain diplomatic relations with Russians, prisons. They cannot stick their noses out. They are afraid. They are being hounded and hounded. I wouldn't have to make any statement. It is right here in this book, and I put it into my testimony.

Our good friend Bullitt—here I am going to quote you a very little from his statement. On October 4, 1933—and this is very important; I think it should be emphasized—we went into this recognition of the Soviet Government with eyes wide open. Six days before President Roosevelt started negotiations for recognition our future ambassador, Bullitt, wrote a memorandum to Secretary Hull, dated October 4, 1933, page 16 in this book, in which he said:

Before recognition and before loans we shall find the Soviet Government relatively amenable; after recognition or loans we should find the Soviet Government adamant.

Precisely.

Bullitt did not have to wait very long to find the correctness of his statement. Here is a report of his dated August 21, 1935, page 245 in this book, the official book by the State Department:

American diplomatic representatives in the Soviet Union are harassed and restricted. As the Soviet Union grows in strength it will grow in arrogance and aggressiveness. To break relations would satisfy the indignation we all feel and would be juridically correct.

That far I went with my good friend Bullitt, but then I disagreed wholeheartedly. Then he said, well, the Soviet Union is going to be a big country, an important factor in world affairs. We have to have a listening post.

And that, to my mind, is one of the greatest mistakes that we made. We should have broken relations right there and then. It would have been one of the severest blows to the Soviet Government because the prestige of that Government would have been terribly hurt, and the people of Russia would have gained a lot of encouragement and emboldened to continue their resistance.

Mr. Chairman, why are 10 or 20 million Russians in slave-labor camps today? Why have millions perished in those slave-labor camps at the hands of executioners? Because they have been kowtowing and loving their government? It is because they have been continuing their resistance.

The Soviet agricultural population will never, never surrender to the collectivization.

I will give you a little experience. After my speech in Schlesheim, Germany, a little fellow introduced himself to me. He was an escapee, a former officer in the Red army. And he told me his father was a poor peasant who had only 1 horse, 1 cow and a few pigs and very little land. But when the collectivization movement started he refused to join the collectivists. There was a reason for that.

For centuries the Russian peasants were serfs. In 1861 they were freed. By 1913, Mr. Chairman, 75 percent of the peasants of Russia were tilling their own soil. That was the dream that had been the dream for centuries. And then one of the principal promises of the Communists to the Russian people in 1917 was bread, and they have given them perpetual hunger; land—they have taken it away from them; peace—they have given them perpetual war at home and abroad; freedom from oppression by the secret police—and they have given them a secret police system that the world has never been able to even fathom the extent of it.

Now this little fellow said to me, "My father and whole family were bundled up and shipped to Siberia. Mother died on the way, and father died soon after they arrived."

So the poor little boys were scattered to various schools, and he became an officer, a lieutenant. He said, "The first time I received orders to go into battle against the Germans I deserted and took my whole company with me. We never forgave nor forgot," quoting him, "what the Soviet Government had done to our parents."

Senator WELKER. May I inquire?

The CHAIRMAN. Senator Welker.

Senator WELKER. A moment ago you stated that our embassies or our emissaries behind the Iron Curtain were really prisoners and not listening posts. Do you have an observation with respect to the time when Russia invited a number of prominent labor leaders to the Soviet country and showed to them what was presented to us, at least, before this committee, as the glorious democracy and the wonderful economy and peace of Russia? Now if you say our officers are prisoners how about this invitation?

Mr. MARCUS. Senator, those officers represent the capitalists, and these labor leaders represent the workers, and that is what they want, to dupe the workers of America. Do you know, gentlemen, that in Russia the worker is being assessed from his wages every week so much to help maintain the starving workers in the United States? Of course, the Russian workers don't believe it.

Mr. ARENS. Mr. Marcus, reverting for the moment into this question of East-West trade, on which you are an expert, what is your reaction to the suggestion that the West needs certain commodities which can be procured only from behind the Iron Curtain? In other words, to what extent is the West dependent upon East-West trade?

Mr. MARCUS. That is absolutely untrue. The East-West trade amounted to—it is known there is a lot of illegal East-West trade going on, and I have treated that in an article on the subject—what is known, and this is from official sources—you have the figures there—is about \$550 million a year. That trade is absolutely non-essential as far as the European, as far as the free world is concerned, and I will tell you why.

Every item that they are getting from Russia they could easily obtain in the United States, in Canada and Latin America. We are giving away billions to our so-called allies who are insisting upon this East-West trade. It would be far cheaper to the United States to subsidize the exportation to them of the items which they are buying from Russia today, or even to buy some of the things that they have to sell in order to avoid it.

I would call it preclusive buying and preclusive selling because that would keep from the Russians the most strategic items like ships and cranes and lathes and electrical equipment which, all of it, goes for war purposes.

Also, Mr. Chairman, remember this, and you will find this in volume 18, page 385, Collected Works by Lenin, and I am quoting:

As soon as we are strong enough to destroy the whole capitalist world we will grab him by the collar—

by Lenin.

Was that just a wild boast by a maniac? Oh, no. Look at it. Since 1945 what has happened? Six hundred and fifty million people behind the Iron Curtain. This is the answer—650 million people not grabbed by the collar but by the throat. And let no one tell you, or Mr. Stassen tell you, the nonsense that this is going to help improve relations between the United States and the Russian people.

I am going to show you what is happening in an article in the American Legion magazine entitled "The Reds Reach for Your Wallet."

Mr. ARENS. In what month and year is that?

Mr. MARCUS. August 1950.

Half a million extra copies were printed of this article. You will find on page 59, and this is something that I think President Eisenhower would do well to take note of:

On May 19, 1951, the Executive Committee of the Communist International (the old Comintern now renamed the Cominform) worked out a blueprint for the future conquest of the Balkan countries. For example, section (e) of the first paragraph stipulates:

"Once power has been seized by the party"—

by the Communist Party—

"foreign policy will be laid down by the diplomatic representatives of the U. S. S. R. who will receive the necessary directives from the Comintern."

Paragraph 2 makes this significant statement:

"The country where the central committee of the Communist Party has recently assumed power should not apply for inclusion in the Soviet Union until the necessary instructions to this effect have been received from the Executive Committee of the Comintern, now the Cominform."

That is why President Eisenhower is in error when he says that Red China and the satellites are, after all, different from Russia. They are not different from Russia. The final step has not been attended to. Why? They have time. The Chinese Communists have to master, they have to execute 20 million people there. That is official. That was brought to the American Communist Party. And Frank Cvetic told me that. They have to execute 20 million people there. They have in the satellite countries the same. They have to execute all the people like we are, capitalists, don't you see, and intellectuals. But here is the law—

Mr. ARENS. Mr. Marcus, as a member of the board of directors of the American Friends of Russian Freedom, and as one who is in intimate contact with the underground in Russia, could you express to this committee your opinion as to what would be the psychological effect of the severance of diplomatic relations on the rank and file of the people behind the Iron Curtain?

Mr. MARCUS. It would be the most electrifying, stimulating, inspiring act that we could give to the Russian people since 1917. They have

said to me, "Drive them out of the United Nations. Drive them out of your country. They are the plague." And they are. We are dealing here with a power that can never, never change. They can talk from now until doomsday about coexistence, but they don't mean it. It is all done for the purpose of catching the gullibles and getting more.

Now, technology does not stand still. About the only invention—and now I am speaking as a native Russian—the only invention that Russia can boast of as truly Russian is the samovar and the balalaika. Everything else has been stolen from abroad. A samovar is a contraption which boils water for tea on the table, and the balalaika is a musical instrument, a three-quarter musical instrument.

MR. ARENS. Would you be disposed, Mr. Marcus, to give a brief thumbnail sketch of the events causing the recognition of the Soviet Union? I see you have covered that in your prepared statement, with which the staff has been conversant heretofore.

MR. MARCUS. Pardon me. I didn't quite get the question.

MR. ARENS. Give a résumé of the events leading to the recognition of Soviet Russia, the circumstances surrounding the recognition.

MR. MARCUS. The statesmen of America, prior to 1933, Republicans and Democrats alike, did not have to become bedfellows of the Soviet Government in order to realize that it was absolutely futile and to the detriment of the United States interests to have recognition. There was a man by the name of Walter Duranty on the New York Times. He used to imbibe a great deal of vodka. He once drank a whole quart of vodka at my dinner table in the Moscow International Hotel. He, to my mind, contributed more than any other correspondent in the world toward befuddling and bamboozling Americans into ultimate recognition.

There was another character by the name of Lincoln Steffens, the late Lincoln Steffens. He and Bullitt were sent to Moscow in 1918 by the late President Wilson, just to take a look at things. He came back and upon arriving heralded the grand news to the world: "I have seen the future, and it works."

Imagine a man who spent about 6 days in Russia, didn't know a word of Russian, and so early in the game—when I told that to Mikoyan on board ship, on the steamship *Normandie* in October 1936, I was traveling with Mikoyan on the same ship, and I met him and his wife, and I was having business relations with him. I tried to sell him a \$20,300 machine for \$185,000. I asked a quarter of a million dollars, but he wouldn't give it to me. He said, "You are a highway robber, aren't you?"

I told him very frankly the machine cost us \$20,300 to make. He said, "Why are you asking a quarter of a million?"

I said, "I know what you are going to do. You are going to buy one machine and copy it." I said, "You have to pay us for the blueprints and so on."

When I told him about this statement of Lincoln Steffens he said, "Why, Lenin, Trotsky, and I, none of us, had that confidence in our survival that this man had."

For years and years they didn't have any confidence in their survival. And it would have taken very little, especially in 1921 when the Kronstadt uprising took place in Kronstadt Fortress near Lenin-

grad. The men who helped bring about the Soviet Government were the sailors of Kronstadt. When they saw that they had been deceived, that their fathers had been robbed of the land instead of having carried out the promise, they revolted and, of course, they were executed, drowned in blood by Trotsky.

Mr. ARENS. Mr. Marcus, do you care to give us a thumbnail sketch of your experiences regarding the Soviet penetration into American finance and American industry, into American industrial establishments via their trade missions and delegations which have been operating in the United States?

Mr. MARCUS. Shakespeare said, and I quote, "There is no darkness but ignorance." And ignorance has been our greatest enemy; the ignorance prevailing in the circles of our financiers and our industrialists is simply inexplicable and inexcusable.

Mr. ARENS. What do you mean by that?

Mr. MARCUS. I mean by that—you take, for instance, here is the president of a steel corporation, Mr. Weir. He keeps on telling why we should do everything to bring about better coexistence. I think that that man should address his great wisdom not to the President of the United States, not to the people of the United States but to the mummy in the mausoleum in Red Square, to Lenin.

Senator WELKER. That same philosophy was used in 1947 after Czechoslovakia had been taken over by Russia when we still shipped them railroad trains. Am I correct?

Mr. MARCUS. Correct. And it is the same mentality as you will see even today. President Eisenhower and Mr. Stassen still talk about China and the satellite nations—"Oh, they are separate and apart from Russia." It is one big blot. The trouble with us is that we are thinking in our Anglo-Saxon terminology. Here we have allies. It seems to me that now, of all the times, we should be as tight as you could make us, because we are fighting for our existence. They are absolutely out to destroy us. They have said that time and time again. We gullibles have not taken them seriously.

Mr. ARENS. Can they destroy us economically? Do they have the potential and capacity?

Mr. MARCUS. Yes. Give them another 10 years, if there is no unanimity between our country and, let's say, England. Right now, when we are still pumping billions of dollars into England and they go ahead and supply such strategic materials as cranes and lathes and ships and everything else of that nature, then how do you expect there is going to be any unanimity later with South and Central America when they start pumping into those countries manufactured goods as a result of having stolen our technology? You see we are really stupid, and there is no possible excuse for it. I say ignorance because it is exactly the word.

Lenin said, and I am quoting him—you will find it in volume 17, pages 22-23, Russian edition:

We have never concealed the fact that our revolution is only the beginning, that it will lead to a victorious ending only then when we shall have inflamed the whole world with its revolutionary fires.

Senator WELKER. May I ask a few questions here, and then I promise I will not interrupt any more.

This witness is very profound, but this is for my information, sir.
The CHAIRMAN. Senator Welker.

Senator WELKER. Are you familiar with an organization known as Amtorg?

Mr. MARCUS. Certainly.

Senator WELKER. Will you describe that to the committee, please?

Mr. MARCUS. The Amtorg is a New York-incorporated organization. There was only one American on the board of directors, and, strange as it may sound, he was a classmate of mine in the George Washington University here. His name is Dr. Ohsol. He is a graduate of Harvard University, not a Communist, but he is afraid to talk because he has relatives in Latvia. He is a Latvian, originally.

I was in the Bureau of Foreign and Domestic Affairs on the 11th floor, and the Federal Trade Commission, for which he was working—he was one of the top investigators, he was an economist, on the seventh floor. So we met in the George Washington University. He was the only board member. Otherwise, it is a 100-percent Soviet Government-owned organization.

That organization was mistaken by a great many American firms as an American organization, and is just an agency of the Soviet Government in reality. They had the entree; they had very high type officials like Bogdanoff, Peter Bogdanoff. By the way, he has already been executed, too; liquidated. He was of the old aristocracy of Russia. You see they used that kind of people for a time, and now they don't need them any more. And he made a wonderful entree to banking houses and to institutions, industrial institutions. I might say that I myself have negotiated a \$30 million deal for the Studebaker Corp. in Russia in 1927 and 1928. It fell through.

Senator WELKER. Now that you have described Amtorg to us do you happen to know a gentleman by the name of David Davis?

Mr. MARCUS. David Davis? No, sir.

Senator WELKER. You are not familiar with the fact that he was the leading Communist official of the American Communist Party and has been on the payroll of Amtorg in New York, the Soviet trading agency?

Mr. MARCUS. I had dealings with the engineering department.

Senator WELKER. Do you know a gentleman by the name of George Mink of the Soviet GPU?

Mr. MARCUS. George Mink? No, sir.

Senator WELKER. I will ask you this question. Do you have any information about whether or not the Soviet conspiracy has tried and has, in effect, infiltrated Central America for many years?

Mr. MARCUS. I was in Mexico City in April 1951. There was a philological congress of all of Latin America held in the city, and I am somewhat of a philologist, although since I met a Russian who knew 41 languages I stopped talking about myself as a philologist.

I was invited to that congress just for the cocktail party and I was introduced there to the former Ambassador of Mexico.

Senator WELKER. What was his name?

Mr. MARCUS. I don't remember his name. The Mexican Ambassador to Russia.

Senator WELKER. Oumansky?

Mr. MARCUS. Not Oumansky; he was dead at that time. It is too bad he didn't die before. And there, the man who introduced me to him said later on that he is one of the most important Soviet agents in Mexico. Now Mexico has been infiltrated to a terrific extent.

Guatemala at that time was already known to me. It is only now has it come to the forefront. You see, in Latin America, I will tell you very candidly, you can buy everybody from the President down. And the Soviet Union doesn't care. What does it mean to them? Tens of thousands of slaves are digging gold and they can afford it. For instance, in 1947 Russia was going through a terrific famine. Did anybody in this country ever hear about it? No. Why? Because our press representatives, they are also prisoners and none of them know the Russian language.

So the result was this: the Soviet Government, despite the famine, shipped shiploads of grain to Italy and to France. Why? For propaganda purposes, to embolden, to stir up the workers and the Communists in those respective points.

Speaking about the blunders that we have made, it simply would take us days and days, and inexcusable blunders.

Senator WELKER. I think I will take judicial notice of that.

Mr. MARCUS. When the ECA, for instance, came into being—and I am an old friend of Paul Hoffman, although I don't think he is going to be a friend of mine now—I pleaded with him a few days after he came into office. I repeated what I said in the New York University in November 1947, long before the ECA Act was passed. I told the students of the New York University that all the billions that the Marshall plan would pump into Europe and all the billions of NATO would accomplish nothing unless, parallel to those two actions, we carried on a terrific, savage campaign in Italy and France against the Communist movement in those respective countries and at the same time go on the liberation offensive. That is what we have been negligent in.

The result was this: They pooh-poohed that idea. "We must not tell the French and the Italian Government what to do in their own country."

We have pumped billions and billions of dollars in, and look at it. One out of every three in Italy is still voting the Communist Party, and one out of four is still voting the Communist Party in France because we did nothing in that respect.

Senator WELKER. My final question, Mr. Chairman.

The CHAIRMAN. Senator Welker.

Senator WELKER. Mr. Marcus, the chairman of this subcommittee, Senator Jenner, has assigned me to head the task force to go out to the west coast and investigate the infiltration of Communists who are coming to our country from the borders of Mexico, if that exists. Do you think that is a pretty wholesome thing for us to do?

Mr. MARCUS. I am afraid, Senator, that the people who are really doing the infiltrating you won't catch.

Senator WELKER. I must differ with you there. We will probably not catch them all, but I think we will get a bite while somebody else is getting a mouthful.

Mr. MARCUS. I think a far better thing to do would be, in my mind, what I have been advocating for years. History has catapulted

America into a very difficult position, the leader of the world to save the Christian civilization from this nightmare, this Communist nightmare. And, unfortunately, we have been going about it like amateurs. Every man that they have had, for instance, handling the psychological warfare was an amateur, and, to my mind, anyone who takes on a job of that nature without the background and without the training and experience is just as criminally liable as if I were to perform a surgical operation on a patient. That has been going on.

Now, we have to have, just as the Soviet Government has spent money on training schools to train people to destroy civilization that we know and cherish, so we have to have schools and train men and women who will dedicate their lives, not just between golf playing or between cat, dog, doll, and fashion shows like our women are indulging, but really dedicate their lives to destroy the Soviet Union, the Soviet Government.

Senator WELKER. Mr. Marcus, you realize that this committee was born with one of its principal duties to alert the American people to the dangers that might affect the internal security of the United States of America, and if our task force is successful in showing to the American people that we, in fact, do have hordes of Communists coming across the line on the west coast, that would be some help at least in carrying out our duties assigned to us by the Congress of the United States.

Mr. MARCUS. There is no question about it. But I maintain that we should also—for instance, I have been wanting the American businessmen—the international traders who are so gullible, so ignorant on this subject—to organize a committee to go to Latin America and to talk to their counterpart, the exporters and importers. We have a powerful organization. Do you know we could throttle the Communist bloc if we ever got to do something because we know their tricks? We could stop the illegal sales of strategic materials and equipment to the Soviet Union and the satellites. But you just can't get them together.

Senator WELKER. They have been dragging their feet, in other words.

Mr. MARCUS. Worse than that. May I tell that in the text of the testimony? In 1950 the Exporters Club—not that I am trying to invite myself—but a man like I have never appeared before that Exporters Club in New York. But a Mrs. Vera Dean, the research director of the American Foreign Policy Association, who has been preaching all over the United States before business organizations on east-west trade, she appeared there. And when she got through I gave her plenty. She will never forget that tongue lashing I gave her. I talked to a great many people in the audience, and they all agreed with her. Not one of them, upon questioning by me, had been to the Soviet Union. Not one of them had ever read a book about communism in practice or communism in theory. And one of them even made a confession that for 2 years he had had on his library shelf Kravchenko's book, *I Chose Freedom*, but had never read a line.

How do you expect them to understand what I am talking about?

The American Mercury published an article of mine which no magazine in the United States would publish, entitled "A Boycott Long Overdue."

Senator WELKER. What date is that, sir?

Mr. MARCUS. November 1953. I had it for a year.

Senator WELKER. I wonder if that could be incorporated by reference.

The CHAIRMAN. It will be incorporated by reference.

(The document referred to was marked "Marcus Exhibit No. 2" and filed for the information of the committee.)

Senator WELKER. I have concluded my questions, and I want to thank you very much.

Mr. ARENS. I have two brief areas to cover with you now, Mr. Marcus.

Do you have information respecting Soviet pilfering of patents and patentable items in the United States?

Mr. MARCUS. Yes, sir.

Mr. ARENS. Would you cover that extemporaneously very briefly, please?

Mr. MARCUS. To begin with, first, as to know what to pilfer, that is easy. For 25 cents—it used to cost 10 cents and now 25 cents at the Patent Office, you can know exactly what is going on in the American patent field. Then you set out to reach that particular industry where this is being produced. And how is that done? Well, Browder told the Comintern Conference in 1930, and you will find it right here, reported—no; 1935; I beg your pardon—reported by the State Department. He told that as of 1930 the Communists in the United States had 500 cells in strategic industries embracing about 1 million workers. That was before recognition. Imagine what it is today. So they go ahead and tell the boys in those various—it is so easy, you know. I have worked in factories. It is so easy to infiltrate a blueprint or a shop drawing at night and have it photostated during the night and deliver it in the morning and nothing has been detected. Why? Because our employees are always so gullible that they haven't the faintest idea how to protect their interests.

The majority of workers in American industry are loyal American citizens, but they are so ignorant about the Communist conspiracy, and nothing is being done to bring it to their attention so they could watch those few infiltrated Communists to keep them from stealing them.

Mr. ARENS. May I just inquire briefly in one other area. That is, on the basis of your background and experience in years gone past before the fabulous rise which you have had in the industrial world, have you had occasion to reach conclusions in your own mind respecting the relationship which exists between the immigration system in the United States and the Communist penetration? In other words, is the Communist conspiracy in the United States a weed which has been transplanted from abroad via the loopholes in the immigration system?

Mr. MARCUS. It isn't a very pleasant thing for me to answer that question the way I must answer it under oath. Unfortunately, very few Americans, naturalized Americans, feel the sense of indebtedness to the United States that a few of us do feel. The Socialist movement was brought into this country by immigrants to whom the doors were swung wide open. And the opportunities—most of them came without a shirt on their backs, and here they have amassed fortunes;

here they have assumed positions in the industrial and economic and all other fields. The Communist movement was a direct outgrowth of these alien and naturalized citizens. I know a great many of them. I know one case of a man that I sometimes can't sleep when I think of that man.

There was a man who came to this country at the age of 15 and went out peddling on Delancey Street. By the time he was 40 he was already a multimillionaire. He was one of the leaders in the Socialist movement in 1919. He helped form the Communist movement and then went to Russia to create there the acetylene-gas industry. And they treated him—I used to be in Russia during those days as a buyer for American Hair & Felt Co. I used to come there to accept merchandise, cattle hair, raw materials which we needed badly at that time. And I found his wife used to cry to me. She would say, "They spit at him; they call him bourgeois."

Imagine. For a Communist to call you bourgeois is for a high priest to be called an atheist. And yet it carried on and it carried on, and then they virtually threw him out of there and paid him out of the investment he made, and he had a concession for 15 years.

He came back, and what did he do? Did he become a good American? Oh, no. He continued to carry on.

I don't have to tell you—it is in the record here where a former Attorney General testified before a Senate committee—I don't know which—that 91.4 percent of the leaders of the Communist movement of the United States were of foreign origin or married to foreigners. To me it is a very painful thing and in which I think I have probably failed to do a very important task, and that is to go after the naturalized citizens of America. I can talk to them, whereas they would not take it from a native born. I am sure they would take it from a naturalized citizen to tell them they are not good Americans, that they are betraying the trust of this country unless they become leaders in the forefront of this struggle against the Soviet Union.

Mr. Chairman, I hope nobody will get the impression that I am advocating war. It isn't necessary. On the contrary, I am bending all my efforts toward preventing a third world war, and we can still do that.

Whereas the Soviet Government has in this country, let us say—take J. Edgar Hoover's figure of 25,000 hard-core Communists, or even 50,000 or 100,000; we have 200 millions of Russians behind the Iron Curtain. We have millions in the satellite countries and in China who are with us. But there is no movement except the little thing we have tried with the American Friends of Russian Freedom.

Mr. ARENS. Would severance of diplomatic relations be a step toward war or a step toward avoiding war?

Mr. MARCUS. On the contrary, it will scare the Soviet Government to death from starting a war.

Here is a recent escapee. This is the Russian, and this is a Russian paper published in San Francisco. And the escapee by name is Andrei Ivanovich Novoshichi. I think this ought to go into the record; it is very interesting. In other words, he says that if the Soviet Government should start a war the soldiers will not fight for the Soviet Government and will destroy the Soviet Government.

Mr. ARENS. Through the years you have from time to time been in consultation with our staff in the development of the Immigration and Nationality Act, the McCarran-Walter Act. On the basis of your background and experience, what would be the effect upon the security of the United States if the new security provisions of the McCarran-Walter Act were knocked out, as some groups and organizations and people are trying to do at the present time?

Mr. MARCUS. I think it will be the greatest service to the Kremlin.

Mr. ARENS. I have no further questions, Mr. Chairman.

The CHAIRMAN. Thank you very much.

Mr. MARCUS. Not at all.

The CHAIRMAN. The committee is adjourned.

(Whereupon, at 11:55 a. m., the committee was recessed, subject to the call of the Chair.)

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STRATEGY AND TACTICS OF WORLD COMMUNISM

HEARINGS

BEFORE THE

SUBCOMMITTEE TO INVESTIGATE THE
ADMINISTRATION OF THE INTERNAL SECURITY
ACT AND OTHER INTERNAL SECURITY LAWS

OF THE

COMMITTEE ON THE JUDICIARY

UNITED STATES SENATE

EIGHTY-THIRD CONGRESS

SECOND SESSION

ON

STRATEGY AND TACTICS OF
WORLD COMMUNISM

—————
JULY 1 AND 8, 1954
—————

PART 3
—————

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STRATEGY AND TACTICS OF WORLD COMMUNISM

THURSDAY, JULY 1, 1954

UNITED STATES SENATE,
SUBCOMMITTEE TO INVESTIGATE THE ADMINISTRATION
OF THE INTERNAL SECURITY ACT AND OTHER INTERNAL
SECURITY LAWS, OF THE COMMITTEE ON THE JUDICIARY,
Washington, D. C.

The subcommittee met at 11:15 a. m., pursuant to call, in room 224, Senate Office Building, Senator Herman Welker, presiding.

Present: Senator Herman Welker.

Also present: Richard Arens, special counsel; and Frank W. Schroeder and Edward R. Duffy, professional staff members.

Senator WELKER. The meeting will come to order.

Who is your first witness?

Mr. ARENS. Mr. Chairman, may I respectfully suggest that the first witness to be sworn and to testify is Miss Freda Utley.

Senator WELKER. Will you rise.

Do you solemnly swear that the testimony you will give before the committee will be the truth, the whole truth, and nothing but the truth, so help you God?

Miss UTLEY. I do.

TESTIMONY OF FREDA UTLEY, WASHINGTON, D. C.

Mr. ARENS. State your name, residence, and occupation.

Miss UTLEY. Freda Utley, 1717 20th Street NW., Washington, D. C. I am an author, writer, lecturer, et cetera.

Senator WELKER. You may proceed, Counsel.

Mr. ARENS. Will you kindly give the committee a brief résumé of your background and experience with particular reference to your experience in the Communist operations, Communist conspiracy?

Miss UTLEY. I am born English, and I joined the Communist Party in England beginning in 1928 when I was a fellow at the London School of Economics. Also, when I was about to stand for Parliament in the labor interests. In joining the Communist Party I made a public statement to the press. That same year I went to the Soviet Union and subsequently to the Far East with my husband.

I married a Russian in 1928 and went subsequently to live in the Soviet Union after a period in the East at the end of 1930. I was 6 years living in Russia as a Russian, as the wife of a Russian.

In 1931 I ceased to be a member of the Communist Party, as I was already completely and thoroughly disillusioned with life in the Soviet Union and with communism. I had learned the facts; the reality as against its pretensions. I ceased to be a Communist in 1931.

Senator WELKER. You learned that in Russia?

Miss UTLEY. I learned that in Russia by bitter personal experience. I learned it very fast. I had thought when I joined the party—I was one of those young people who foolishly believed that communism would bring social justice, a better social order—that it was a liberal movement. I learned after going to live in the Soviet Union that it was the greatest tyranny the world had ever seen.

As I have also put in my statement here, I also came to realize by living in the Soviet Union this was not just a question of Stalin having gotten power, but the bases of communism must lead to that development into a tyranny everywhere in the world; that is, a materialist philosophy and their belief that the end justifies the means, and their use of any methods to attain their end, must mean that communism would lead to tyranny everywhere it is established. I am making that very point very strongly because I think we have to realize this is not a question of the Russian people; this is a question of communism.

Mr. ARENS. May I interpose this question on your background: You have, since breaking with the Communist Party, maintained a continuing interest and have continually studied the Communist operations worldwide, have you not?

Miss UTLEY. Yes.

Mr. ARENS. And you have been an author of several works with respect to the Communist operations in various areas of the world, is that correct?

Miss UTLEY. Yes. I wrote my first book exposing the Soviet Union, a book called "The Dream We Lost," published here in 1940. Subsequently, my books on the Far East and on other subjects have mainly been studies of communism and Communist strategy and methods.

Mr. ARENS. You have recently returned from an inspection tour or a study tour in Central Europe, is that correct?

Miss UTLEY. I have been in various parts of Germany, Italy, France, Spain, and England. I am writing a new book on Europe. My last book was *The China Story*, published in 1951, in which I traced the influence of Communists and Communist sympathizers on American policy and showed how that influence had caused us to lose China to the Communists.

Mr. ARENS. I respectfully suggest that Miss Utley's statement be incorporated in the record as if read and then Miss Utley now proceed to speak extemporaneously on the various points which are covered in her statement.

Senator WELKER. It will be so ordered.

(The statement referred to follows):

TESTIMONY OF FREDA UTLEY BEFORE THE INTERNAL SECURITY SUBCOMMITTEE OF THE SENATE COMMITTEE ON THE JUDICIARY—TASK FORCE ON STRATEGY AND TACTICS OF WORLD COMMUNISM

I am one of the very few Americans who learned about communism the hard way—by personal experience of life in the Soviet Union as it is lived by the Russians. Many others have visited Russia, or lived there as newspaper correspondents, diplomats, engineers, or businessmen. All these were, of necessity, merely observers looking at the Russian people from outside. But I was for 6 years the wife of a Russian subject, sharing many of the hardships and all the fears of the Russian people. I know what it means to live continuously under the shadow of terror; never to know peace of mind; to be constantly on guard lest a careless word bring oneself or one's loved ones to death or imprisonment in a slave labor camp. It is on account of my intimate and terrible experience of the Russian way of life under the Communist dictatorship, and

because of my sympathy for the Russian people, that I am testifying today in favor of the Jenner-McCarran resolution.

Until 1928 I had been a member of the British Labor Party. That year, I gave up my candidature for Parliament in the Labor interest by openly joining the Communist Party and issuing a statement to the press explaining why. That same year I was the Communist candidate in the London County Council elections.

At that period the Communist Party was openly opposed to the Labor Party and openly revolutionary. The period of pretending to be democratic—the Popular Front period—began only after Hitler came to power, when I was no longer a Communist. My short period of membership in the Communist Party occurred while it was still possible for a Communist to be what I might call an honest revolutionary, as distinct from a liar and a cheat pretending to be democratic and reformist. In 1940 when I applied for an immigrant visa to the United States I answered "Yes" to the Immigration authorities when asked whether I had ever belonged to an organization advocating the overthrow of governments by violence. This caused the rejection of my application, but I became a citizen many years later thanks to a private bill in Congress sponsored by Congressman Jerry Voorhis, of California, who was a member of the Dies committee.

I am bringing up this old history at the beginning of my testimony simply because ex-Communists are ipso facto suspects in the eyes of many people. My record shows that although I was a Communist Party member from 1928 to 1931 I did not lie either for the party or for my own advantage either then or subsequently.

A quarter of a century ago when I joined the Communist Party, I imagined that the Communists aimed at the emancipation of mankind, and would create a just social order and give freedom to oppressed colonial peoples everywhere in the world. Brought up in the English liberal tradition the Communist ideal seemed to me to be the fulfillment of man's age-long struggle for freedom and justice. It took only a few months of life in the Soviet Union, in the winter of 1930-31, to make me realize how profoundly mistaken I had been. I quickly understood that the Soviet Government was a greater and more terrible tyranny than any the world had yet seen, but I also soon learned that anyone who spoke against it got liquidated. I was caught in the web through my husband who, being a Russian subject, could not leave the Soviet Union once he had returned there. I stayed in Russia for 6 years, until he was arrested in 1936 and sent without trial to a concentration camp where, presumably, he died many years ago. I was able to escape with our son, then 2 years old, only because I had retained my British passport.

I did not transfer to the Russian Communist Party after going to live in Russia, although I had learned that to be a Communist in Russia is to belong to the ruling class which enjoys both material privileges and a monopoly of power. My husband was not a Communist but a Socialist who had voluntarily returned to Russia from abroad in the false belief that a better world was being built in the Soviet Union. Both of us soon realized not only that Stalin was the greatest tyrant who has ever lived, but also that the materialist philosophy of the Communists must inevitably lead to the establishment of a similar tyranny wherever Communists win power.

Together, in Russia, we shared the life of the unprivileged, nonparty people. We were better off than most Russians since he was a "specialist" in trade and finance, entitled to an above average food ration, and I had a "foreign specialist" ration card. But since we did not enjoy the food, housing, transport, and other privileges and prerequisites of the Communist aristocracy, we were close to the mass of the Russian people who never knew what it meant to have enough to eat, and who live in perpetual fear of starvation and imprisonment. I told the story of my life in Russia in 1940 in a book called, *The Dream We Lost*.

This experience of mine enables me to state with certainty that the fundamental misconception upon which United States policy has been based is that the Russian people support their Communist Government by choice or conviction. I am certain that the very great majority of the Russian people and other peoples behind the Iron Curtain hate, as well as fear, the Soviet Government. The trouble is that no one has any hope of overthrowing it without outside help. The fact that so many millions of Russians went over to the Germans in the first stages of the war is a proof of what I have always contended concerning the attitude of the Russian people. The Germans might have retained or won the support of the

overwhelming majority of the Russian people had it not been for the stupid and cruel behavior of the Nazis. We should take care that we do not ourselves make the mistake of forcing the Russian people to support their Communist Government by regarding them, instead of communism, as the enemy. Today many of the very same people who have been most sympathetic to Communism in the past are busy telling us that we should hate the Russians. They are today, wittingly or unwittingly, furthering the Communist cause by diverting our enmity away from communism as such to Russia. This kind of upside-down Communist propaganda has been so effective that Dr. Ward V. Evans, in his minority report on Dr. Oppenheimer, cited as "evidence" of Dr. Oppenheimer's loyalty the fact that "he hates Russia."

I consider the breaking off of diplomatic relations with the Soviet Union would put fresh heart into the forces of resistance to Communist tyranny behind the Iron Curtain. It would help to wipe out the impression we created during and after the war that we approved of Communist tyranny. It is a true but tragic fact that at the war's end America and her allies helped Stalin to reestablish his dictatorship in full force over the Russian people. By the many pronouncements of our Government leaders, by the attitude of our newspapers, and radio commentators, we made it all too clear that we were behind Stalin and that we gave him, instead of the Russian people, the credit for the heroism of the Red army. By turning back uncounted numbers of Russian deserters, displaced persons, and others, who knew that they would be shot or sent to concentration camps when returned to the Soviet Union, we must have helped establish the belief in the hearts of the Russian people that there was no hope to be expected from the West. It is necessary that we do everything possible to wipe out the impression given in the war and postwar periods that we are ready to support Communist tyranny so long as that tyranny does not menace us. And nothing could be better calculated to achieve this purpose than implementation of the Jenner-McCarran resolution.

I could quote many statements by past and present representatives of the American people showing their misunderstanding of the nature of communism, of its aims and its methods, and of the basis of its terrible power. The past two administrations made repeated statements implying that we believed that Soviet communism is a progressive power. As late as July 16, 1950, President Truman said:

"By making possible the formulation and execution of liberal reforms such as the nationalization of certain industries and land redistribution, which are desired by a majority of Koreans, this policy should also help to broaden the basis for an understanding with the Russians."

The only possible meaning which can be read into this statement of Mr. Truman's is that the Communists are liberal and progressive, and that if we emulate them we can get along with them. In other words, the basic assumption upon which the Truman-Acheson foreign policy was based was that America could insure world peace if we showed evidence that our economic, social, and political policies are as progressive as those of the Communists.

The second great illusion about communism which has distorted our policy is a corollary of the first. It is the belief that communism conquers not by force and terror, but through popular support. For instance, Mr. Acheson, on January 12, 1950, declared that the best way of stopping communism in Asia was to: "develop a soundness and administration of these new governments and to develop their resources and their technical skills so that they are not subject to penetration either through ignorance or because they believe these false premises, or because there is real distress in their areas. If we can help that development, if we can go forward with it, then we have brought about the best way that anyone knows of stopping this spread of communism."

In other words the Acheson school of thought believes that good works and the redistribution of wealth can stop communism.

The third great illusion which formerly permitted the State Department to view Communist conquests, such as that of China, with complacency, is the belief that once the Chinese or any other people learn that communism does not give the benefits expected they can discard it. The fact is, however, that it is impossible for a nation which has come under Communist tyranny to find a way of overthrowing it without outside help.

It would seem that in spite of all the lessons of the past few years our thinking and our policy are still permeated with the old illusions. For instance, on June 16, last, President Eisenhower, in opposing the breaking off of all trade

with the Iron Curtain countries, stated that the satellite countries would then have no place to go but Russia for anything they needed. He further stated that it should be our objective "to encourage the centrifugal forces," and he implied that this could be done by continuing to trade with the Soviet Empire.

The plain fact is, as the Jenner-McCarran resolution recognizes, that breaking off diplomatic and trading relations with the Soviet countries would both weaken the Soviet Empire and strengthen, not weaken, the ties between us and the Russian people. For it would give them hope that the tyrannical regime which rules over them could collapse, thanks to our pressure. And far from hurting the people of the Soviet Empire materially it might help them. The Soviet Government is able to export only by squeezing its subjects and depriving them of food and other necessities, while using imports almost exclusively to build up its war potential. Consequently, the Russian people and those of the satellite countries, far from deriving any benefit from increased trade with the free world, would in all probability be hungrier than ever now.

It will be fatal should we listen to the contrary advice given by Sir Winston Churchill, and the Americans who share his illusion that the Soviet Government represents the Russian people; and that we can have peace and security by appeasing the Communists either in the Far East or in Europe.

Those who like and those who hate the Russians are equally wrong in imagining that the Russian people have any say in determining Soviet policy, and equally dangerous as advisers as to what American policy should be.

When I read Sir Winston Churchill's statement last Monday to the National Press Club, I was appalled at his ignorance and the bad advice which he is giving, thanks to that ignorance. He based his plea for a try at "peaceful coexistence" with the Soviet Empire on "the mood of the people of Russia," and on "the great wish in Russia to have a better time among the masses of the people." He urged us to "make sure that the Russian people would not feel that they might gain far more by a quarter of a century of peaceful development of their own country" than by war. And he begged us "to leave no stone unturned" to give the Russian people "a chance to grasp the prospects of great material well-being which will be offered to all these millions." In a word, he urged us to base our policy on the erroneous assumption that the wishes of the Russian people determine Communist policy.

I am convinced from my own experience, as well as from my years of study of Communist aims, methods, and strategy, that the policy being urged upon us by the British Government, and the American supporters of this policy, would destroy all hope of liberation among the Russian people and other peoples under Communist rule, and thus immeasurably strengthen the Soviet tyranny, and increase both its capacity for, and will to, aggression.

There was, no doubt, a time in its early stages when communism appealed, as it did once to me, to the desires of people for social justice and emancipation. Today, with the abundant evidence available to us of what goes on under Communist rule, it is no longer possible to believe in Communist professions or propaganda. Today, Communist power advances not because people believe that it offers hope of a better world, but because people fear it, and have too little confidence in the will to resist it in the Western world.

It is difficult for an American to understand what terror means. People who have never been hungry cannot imagine what it is to be without bread. People who have never known the fear of death or slavery, not only for themselves, but for their loved ones, under a totalitarian tyranny, cannot realize what it means to be without freedom. Americans cannot imagine what it means to be under a regime in which every man fears his neighbor and even his friends, because anyone may be a member of the secret police, or be driven sooner or later to betray his friend or neighbor by intolerable pressures to accuse others in order to escape himself. This terror which keeps the people behind the Iron Curtain subservient also has a terrible effect on the countries close to the Soviet Union and menaced by communism. There, the fear is of what will happen to you or to your family if and when the Communists seize power. People in the lands which fear Communist conquest sometimes give money to the Communists, or in other ways assist the Communists, not because they have any illusions about communism, but as a sort of insurance policy for the future. If in those countries there were no poverty the Communists would still have strength, because of the fear of the terrible penalties which await all who dare to oppose communism.

The only way to overcome that debilitating fear is to arouse confidence and hope that there is a banner on our side to which brave men can repair with some hope of saving their countries, their families, and their faith. Every time we give way to Communist pressures or bolster up Communist governments by diplomatic dickering and nice words, such as Mr. Churchill is so fond of addressing to the Soviet Union, we strike fear into the hearts of millions of people. They have seen how, in the past, we have been ready to grasp the bloody hand of the Communist tyrants in friendship and they are always afraid we may do it again if it suits our purpose—and then what would happen to those who had been on our side?

The breaking off of diplomatic relations as recommended by Senators Jenner and McCarran would allay such fears by recreating confidence in American leadership of the free world.

The people who have already had personal experience of what Communist rule means are today our most reliable allies. We have seen this in the case of the people of Berlin and East Germany. Today, I consider that the Germans and probably also the Spaniards are our most reliable allies in Europe—thanks to the fact that they have seen for themselves what Soviet Russia is like, or what communism means. The Spaniards experienced the horror of communism in their civil war. In the case of the Germans, they do not only know what their brothers are suffering in Soviet Germany; almost every German family has a member who fought in Russia or who was a prisoner in Russia, or died of starvation there. Others know what Communist conquest means by their experience of the raping, looting, and murder of the Red Army. These people can be counted upon to prefer death to Soviet slavery.

You will have heard that the slogan which the late Ernst Reuter, mayor of Berlin, gave to his people during the blockade was "Better a horrible end than horror without end." A year ago the people of East Berlin and East Germany gave signal proof in their unarmed uprising against the Communist power that they are prepared to die for liberty. But here again we must recognize the fact that men must have hope and the right of self-defense if they are to remain on our side. The Germans are still denied the right of self-defense. Thanks to French stalling on the EDC treaty we have still not accepted the West Germans as our allies. We may succeed in forcing them to try to save themselves by coming to terms with Moscow, if we convince them that this is the only way in which they can hope to reunite their country, or avoid the fate of being conquered by the Communists because we refused to let them rearm.

As we know, the Communist technique is always to divide and rule. In the case of our former enemies, the Communists and their friends and dupes have continued successfully to divide us by keeping the old hate fires burning.

There is another point which I think we should take into consideration in considering the techniques of communism and the manner in which it has successfully advanced its power so fast and so far. I refer here to what one might call the demand for perfection. We have seen how, in the case of one of our most loyal allies, Chiang Kai-shek, the charge continually made by the Communists, and echoed by many good, but deluded, Americans, was that the Nationalist Government of China was so undemocratic and corrupt that we should cease to give it any aid. This propaganda was so successful that we abandoned our Chinese allies, denied them arms and ammunition in the most critical period of the civil war, and thus helped bring the Communists to power in China.

The same game, in a minor way, has been played on Syngman Rhee. It is clear that the Communists and their friends and dupes have been extremely successful in undermining and vilifying some of our best allies by making impossible demands for the premature establishment of American democratic institutions and methods of government in backward countries fighting against communism.

I was in China in 1945-46 during the period of General Marshall's mission, and saw how United States policy was distorted by the influence of the Communists and their dupes, and by the "dumb liberals," who failed to realize that Chinese Communist rule would be a calamity for us as well as for the Chinese people. I warned against the consequences of the Marshall-Acheson policy in a book called *Last Chance in China*, published in 1947. But my voice, like that of others who realized what must be the consequence of the Truman-Acheson China policy, was drowned by the IPR chorus and other friends of the Chinese Communists. In 1951, in *The China Story*, I told the story of those tragic post-war years, during which American policy was based on a complete misunderstanding of the nature and aims of communism.

Even today this misunderstanding continues in the Western World in a revised form, as illustrated by my quotations from Sir Winston Churchill's most recent statement.

Today we are in danger of disheartening the resistance forces in the Communist world, not because we any longer believe in the false promises of the Soviet Government, but because we fear to provoke the Communists by resolute action. This was made clear to me in Berlin in February. At the beginning of the conference, thanks to the fine speeches being made by the representatives of the Western powers, hopes were raised that at long last we were going to stand up to the Soviet Union. By the end of the second week of the conference, it had become clear that the Communists had once again succeeded in making us climb down. We agreed to discuss the Far East at a news conference in Geneva without any quid pro quo in the shape of concessions on German unification.

The streets along which the representatives of the victorious powers passed in their automobiles each day on the way to the conference were thickly lined with crowds, standing for hours in the bitter cold in both the West and East sectors of the city. Every one I spoke to among those crowds expressed the hope that America would show sufficient strength and will to force the Soviet Union to retreat. But during the last days I was there, disillusionment had already set in. It was felt that we or our allies had displayed such a lack of power and resolution that it was unlikely that the Soviet Union would ever make any concessions. If, at any time, instead of arranging another conference with the Soviets, the Jenner-McCarran resolution had been passed, I am certain that these despairing people would once again have had confidence in us.

If the Berliners and East Berliners who are in the frontline of the battle hope that we will not make concessions to the Soviet Union, surely we in the far rear should not be governed by our fears, or give way to the desire of the British and the French for peace at any price.

It seems to me that in spite of the fact that the Communists and their sympathizers no longer hold important posts in our Government and the press, radio, and universities, people with a soft attitude toward communism and, above all, people who have no understanding of the nature, aims, or methods of communism, still hold the commanding heights in the press, radio, and other media which influence public opinion.

I use the words "commanding heights" because I recall that Lenin used this expression in 1921 when he instituted the new economic policy which permitted some private ownership of land and small-scale industry. He then said that, provided the Soviet state continued to own all large-scale industry and the banks, its possession of these "commanding heights" would insure the victory of socialism. So today it seems to me the influence in the press and radio of Communist sympathizers and dupes, and of those who know nothing about communism, is still sufficient, if continued, to insure a Communist victory.

So long as those who form public opinion and those who direct our foreign policy hold fallacious opinions as regards the nature of communism and how to combat it, we can have no hope of winning the struggle for the world.

We also face a certain danger from those who say "A plague on all your houses." and think that at this stage of history we can return to isolationism. It is of vital importance that we should do two things if we are to survive.

One is to give moral and material support to our real allies; that is to say, to the people who can be counted upon to stick by us, and fight with us if necessary, and not to those who want to be neutral, but whom we hope to win over to our side by bribes, or by following their appeasement policies.

Secondly, we must try to keep hopes of liberation alive among the Russians, the Chinese, and the other people under Communist rule. This we can do only if we give proof of our own steadfast opposition to Soviet tyranny; and convince them that we shall never again betray other people for our own illusory advantage, as we did at Teheran, Yalta, and Potsdam. This is why it seems to me that breaking off of diplomatic relations with the Soviet Government would have such an excellent effect. I see the Soviet empire as a structure which would fall very rapidly if once a revolt started against it with a little hope of success. If the oppressed people of the Soviet empire believe that we would help them they might free themselves of the fear which paralyzes them. And if a revolt once started it would spread like wildfire.

The Jenner-McCarran resolution should awaken the American people to the immediate necessity for the "agonizing reappraisal" of our foreign policy, which Mr. Dulles said a year ago might have to be undertaken. I am glad of this

opportunity to testify in favor of this resolution from the standpoint of an American who knows from experience how greatly it would be welcomed by the subjects of the dictator of all the Russians.

MISS UTLEY. I feel this is important because of the suspicion in which ex-Communists are held. I have not been a Communist since 1931, and second, when I was a Communist I did not lie about any affiliations. I did not lie for myself or the party. When I tried to immigrate to the United States in 1940 and was asked at Ellis Island whether I had ever belonged to an organization advocating the overthrow of the Government by violence, I said yes and was rejected. I can claim, although I was a Communist, I have never been one of the people who lied and deceived. When I found I had to do those things, I left the party.

SENATOR WELKER. You understand you are testifying under oath and any statement on the material fact which is not true constitutes perjury?

MISS UTLEY. Yes.

MR. ARENS. I observe in your prepared statement, your thesis, that there are fundamental misconceptions in the United States policy with respect to the Communist government having the support of the Russian people. I should like to ask you now if you will kindly direct your attention to that theme.

MISS UTLEY. I am trying to counteract the impression which has been created by so many statements on the part of the past administrations; the quotes I have given from Mr. Acheson and President Truman in my statement; the idea that the Russian people support their regime; that the Russian people are the same thing as the Soviet Government; that we can, by establishing good relations with the Russian people, have peace and solve the problem.

I have particularly drawn attention to what I consider the most pernicious thing, which is the statement just recently made by Sir Winston Churchill here in Washington in which he speaks all the time as if we could have peace by agreement, by getting along with, or helping, the people of the Soviet Union.

This is on page 7 of my statement:

He based his plea for a try at "peaceful coexistence" with the Soviet Empire on "the mood of the people of Russia," and on "the great wish in Russia to have a better time among the masses of the people." He urged us to "make sure that the Russian people would not feel that they might gain far more by a quarter of a century of peaceful development of their own country," than by war.

The whole implication of Churchill's statement is that if we convince the Russian people they can have a better life by living at peace with us, we shall have peace. That implies that the Russian people determine Soviet policy. I think that is the great fallacy of our time. That is what I have been trying to establish, also, by these quotations which I gave before.

SENATOR WELKER. As a matter of fact, then, it is your opinion that the Russian people have nothing whatsoever to do with the policy?

MISS UTLEY. Nothing whatsoever.

SENATOR WELKER. It comes from the Kremlin, the Politburo, and the masters of the Kremlin?

MISS UTLEY. Yes. Any Russian subject—I prefer to call them subjects—who criticizes the Government policy in the tiniest degree

knows that he will either be sent to prison or executed. He will be arrested, all right. Nobody dares to open his mouth and criticize the Government.

Mr. ARENS. On the basis of your best information, what suggestion could you make to the committee with respect to the number of slave laborers, people who are actually enslaved behind the Iron Curtain?

Miss UTLEY. You mean the actual number?

Mr. ARENS. Yes. What would be your estimate?

Miss UTLEY. The estimates vary between 14 and 20 million. I would say not less than 15 million. It may be more.

Mr. ARENS. Would you say the people who are not actually in slave labor camps are themselves enslaved in the sense they are not free?

Miss UTLEY. They are absolutely enslaved. They are really slave laborers. Even the people not in concentration camps are not far removed from slaves. They have none of the normal civil rights which we take for granted.

Mr. ARENS. Miss Utley, what, in your judgment, based on your experience through the years both as a Communist and as a student of international communism, would be the first elemental step for our Nation to take in undertaking to stem the tide of encroachment of international communism?

Miss UTLEY. That is why I welcome very much this resolution, the Jenner-McCarran resolution, because I think breaking off diplomatic relations and all trade relations as well with the Soviet Empire would be of the greatest help in heartening the people of the Soviet Union. The whole point is that we unfortunately during and after the war gave rise to the belief in Russia that we supported the Soviet tyranny by turning back all the deserters and very many displaced persons. By our every action and praise of Stalin as our great ally we helped to clamp down again the tyranny on the Soviet people. By breaking off relations, it seems to me we are giving some hope to the enslaved peoples of Russia that sometime or other our pressure may bring down the Soviet Government.

Mr. ARENS. Under date of June 18, 1954, the Senator from Indiana, Mr. Jenner, and the Senator from Nevada, Mr. McCarran, and the Senator from Idaho, Mr. Welker, introduced S. 3632 making it a felony to import or ship in interstate commerce any commodity or goods produced by slave labor. Should that bill become law, what in your judgment would be the effect on the people behind the Iron Curtain?

Miss UTLEY. I think it is such an excellent resolution that it might ameliorate the condition of the people in the slave labor camps. Here I speak from experience. In the early thirties when I was in Russia there was a big campaign against slave labor on the matter of timber. I think Canada in particular was concerned with this matter. I remember at the time this caused tremendous worry and anxiety in Russia, and it was said that conditions had been slightly improved in the timber slave labor camps as a consequence of this agitation to stop buying goods produced by slave labor. I think the resolution is so good because it would hurt the Soviet Government, and it might also possibly force the Soviet Government somewhat to ameliorate the condition of the slaves.

Senator WELKER. How will we find out whether or not these goods are produced by slave labor?

Miss UTLEY. In the case of certain things like timber, we actually know that is all produced by slave labor. I think the intensive studies that have been made of all the slave labor camps, the mines, timber and all the other things that are produced, it would not be too difficult to tell. In a sense, all goods in Russia are produced by slave labor. But that is carrying it too far, perhaps, in the sense the workers have no rights. They have to work as long as they are told for whatever wages are decreed. They haven't the right to strike. They can be arrested and punished for being a few minutes late at work. I do not know how far that resolution is intended to carry.

Mr. ARENS. I suggest that S. 3632 and the statement which accompanied it at the time of its introduction be incorporated in this record.

Senator WELKER. It will be so ordered.
(The material referred to follows:)

PROHIBITION OF IMPORTATION OR TRANSPORTATION IN INTERSTATE COMMERCE OF
GOODS PRODUCED BY SLAVE LABOR

Statement by Hon. William E. Jenner, of Indiana, in the Senate of the United States, Friday, June 18, 1954

Mr. JENNER. Mr. President, on behalf of myself, the Senator from Nevada (Mr. McCarran), and the Senator from Idaho (Mr. Welker), I introduce for appropriate reference a bill making it a felony to import or ship in interstate commerce any commodity or goods produced by slave labor. I ask unanimous consent that a statement by me pertaining to the bill be printed in the Record at this point, as a part of my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the Record.

The bill (S. 3632) making it a felony to import or ship in interstate commerce any commodity or goods produced by slave labor, introduced by Mr. Jenner (for himself, Mr. McCarran, and Mr. Welker), was received, read twice by its title, and referred to the Committee on the Judiciary, as follows:

"A bill making it a felony to import or ship in interstate commerce any commodity or goods produced by slave labor

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, from and after the effective date of this act, it shall be unlawful to import into the United States or to ship in interstate commerce in the United States any commodity or goods produced by slave labor.

"SEC. 2. Any person who shall violate this act shall be guilty of a felony, and upon conviction thereof, shall be punished by imprisonment of not more than 2 years, or by a fine of not more than \$1,000, or both."

The statement by Senator Jenner is as follows:

"STATEMENT BY SENATOR JENNER

"In the recent past, as chairman of the Internal Security Subcommittee of the Senate, I appointed a task force for the purpose of maintaining a continuing study and investigation of the strategy and tactics of world communism. This task force, which consists of myself as chairman, with Senators Herman Welker and Pat McCarran as members, has been conducting a series of hearings on this general subject because we know that to adequately appraise the operation of the Communist conspiracy in this Nation it is essential that we keep abreast of the world strategy and tactics of international communism.

"In the hearings which we have thus far conducted one of the principal subjects which has been under consideration is the worldwide trade offensive of the Kremlin which has as its ultimate goal economic strangulation of the West through ruinous competition of the products of slave labor. This threat presents to us not only the issue of protecting the American workingman in his job, but it also presents a moral issue of the highest order. Every shipload of goods pro-

duced by slave labor in Iron Curtain countries which we import into this country merely whets the appetite of the Kremlin for greater numbers to be subjected to this inhuman exploitation.

"Accordingly, the bill (S. 3632) has been patterned after our laws which prohibit the shipment in interstate commerce of goods produced by child labor. If those laws are right, then this bill is right. If it is right to protect the American workingman from ruinous competition by slave labor then this bill is right. If it is right to protect ourselves and the free world from the spreading menace of international communism then this bill is right."

[S. 3632, 83d Cong., 2d sess.]

A BILL Making it a felony to import or ship in interstate commerce any commodity or goods produced by slave labor

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, from and after the effective date of this Act, it shall be unlawful to import into the United States or to ship in interstate commerce in the United States any commodity or goods produced by slave labor.

SEC. 2. Any person who shall violate this Act shall be guilty of a felony, and upon conviction thereof, shall be punished by imprisonment of not more than two years, or by a fine of not more than \$1,000, or both.

Mr. ARENS. In the course of the recent past, under date of June 24, the Senator from Idaho presented to the Senate and it was recently approved unanimously by the Committee on the Judiciary a resolution, No. 169, authorizing the President of the United States to proclaim the first Sunday of each month for a period of 12 months for prayer for people enslaved behind the Iron Curtain.

On the basis of your background and experience, I ask you, aside from the actual petition to the divine for intervention, what effect would the proclamation called for in this resolution have on the minds and hearts of the people behind the Iron Curtain?

Miss UTLEY. Again I think it would have an excellent result, an excellent effect, because again it would show the people behind the Iron Curtain we care a little, which they have not had much reason to suppose in the past.

May I add to that, I think the excellent effect, also, of this proposal by Senator Welker is that it might help to awaken the American people a little as to the sufferings of people under communism. What I am getting at, we all know there has never been in the press or on the radio or in any way in the United States any comparable campaign to arouse the people of America to a knowledge of what communism means and what Communist terror is, what life is like in the Soviet Empire, anything comparable to what was done in the case of Nazi Germany. Every American knew of the horrors in Nazi Germany, but there has never been anything comparable to arouse opinion here concerning the horrors and terrors in the Soviet Empire.

Mr. ARENS. I respectfully suggest that this record now reflect the contents of Senate Joint Resolution 169 and of the very brief statement which was made by the Committee on the Judiciary under date of June 29 in reporting Senate Joint Resolution 169 unanimously favorably to the Senate.

Senator WELKER. It is so ordered.

(The material referred to follows:)

[S. Rept. 1659, 83d Cong., 2d sess.]

AUTHORIZING THE PRESIDENT OF THE UNITED STATES OF AMERICA TO PROCLAIM THE FIRST SUNDAY OF EACH MONTH FOR A PERIOD OF 12 MONTHS FOR PRAYER FOR PEOPLE ENSLAVED BEHIND THE IRON CURTAIN

The Committee on the Judiciary, to which was referred the joint resolution (S. J. Res. 169) authorizing the President of the United States of America to proclaim the first Sunday of each month for a period of 12 months for prayer for people enslaved behind the Iron Curtain, having considered the same, reports favorably thereon without amendment and recommends that the joint resolution be agreed to.

STATEMENT

The people of the United States share in their hearts the suffering of the millions of fellow human beings who are enslaved behind the Iron Curtain. It is the judgment of the committee that periodic prayer on behalf of these fellow human beings would not only open the channels for Divine intervention to alleviate their suffering, but would strengthen the bonds of understanding between them and the American people.

The committee, after consideration of all the facts, is of the opinion that the joint resolution (S. J. Res. 169) should be agreed to.

[S. J. Res. 169, 83d Cong., 2d sess.]

JOINT RESOLUTION Authorizing the President of the United States of America to proclaim the first Sunday of each month for a period of twelve months for prayer for people enslaved behind the Iron Curtain

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is authorized and directed to issue a proclamation inviting the people of the United States to pause on the first Sunday of each month during the course of a period of twelve months for prayer on behalf of the millions of fellow human beings who are enslaved behind the Iron Curtain.

Miss UTLEY. What I am trying to say in my answer is that what we need to do is to approach this whole problem of Soviet aggression and of communism from the opposite point of view from which it has been approached in the past. We have to approach it from the knowledge that the Russian people are groaning under tyranny. We have got to hearten them by measures showing that we are anti-Communist, anti-Soviet Government; whereas, the approach to now has been, "Let's get along with the Soviet Union, let's convince the Russian people of how good and kind and progressive and friendly we are."

Mr. ARENS. You were in Germany at the time of the Berlin Conference in February, were you not?

Miss UTLEY. Yes.

Mr. ARENS. Do you have any observations to make on the basis of your background and experience as to the strategy of the Western Powers at Berlin in the conference?

Miss UTLEY. Yes. I have something in my statement on that. I was there during the conference, and I spoke to the people who lined the streets to watch Dulles, Eden and others drive to the conference. I talked to a lot of people in the street. At the beginning of the conference there was a real hope that the United States was going to be firm enough and strong enough to force the Soviet Union to make concessions. At the end of the second week when we agreed

to meet again in Geneva to discuss the Far East, which we formerly refused to do and without getting anything in return, no *quid pro quo*, the Germans were beginning to say, "Well, it is hopeless. The United States and its allies haven't got what it takes to stand up to the Soviet Union or to force the Soviet Union back."

I think the effect of all this dickering and diplomatic negotiations has been altogether bad for that reason, because it is always we who make the concessions. We always seem to be the weaker side.

Mr. ARENS. Finally, I observe in your statement reference to two courses of action which you suggest if we and the West are to survive. I should like to invite your comments on those two courses of action.

Miss UTLEY. In my concluding section I make the very strong point that we have to convince the people of the Soviet empire that we are anti-Communist, anti-Soviet; that we are for them and not for their Government; that these resolutions are designed to do precisely that, to keep alive some hope behind the Iron Curtain that eventually our pressures may bring down their Government.

Secondly, that this breaking off of trade with the Soviet Union, which is of the greatest importance—here again I think we are far from doing any hurt to the peoples of the Soviet empire. We will again actually help them. I know from my experience in the Soviet Union that exports from Russia are squeezed out of the people. In the period when they were exporting for the 5-year plans they were taking food, wheat, butter, textiles, and exporting them in order to import material for their war machine. That is, by increasing trade with the Soviet Union we merely make the life of the people more miserable. By refusing to trade with them there is more for them to consume at home. Therefore, the whole argument which is made, I am sorry to say, even by the President, that we have to do some trade because we have to encourage the centrifugal forces—to try and lessen the dependence of the satellites on the Soviet Union—is, I think, an entirely false argument. What they import is imported for their war machine. There is no advantage to the people in trading with us.

May I add one other thing to that—again on this point on page 4 of my testimony—that we should be awfully careful not to make the same kind of mistakes that the Germans made in Russia in a different form. What I am referring to is that we know millions of the Russians went over to the Germans in the first stage of the war. Then because of the behavior of the Nazis in Russia, they turned back to the Soviet Government and fought for their country against the Germans. What I am afraid of is that by this identification of communism with the Russian people which is made by so many—Winston Churchill and continually by the State Department under Mr. Acheson, talking about the Russians or Russia when we mean communism—if we do that, we are going to force the Russian people to support their Government because of the hatred of the world against them instead of against communism.

Here I point out on page 4 what seemed to be a most significant statement by Dr. Evans, who issued that minority report in favor of Dr. Oppenheimer. He actually gives us a proof of Dr. Oppenheimer's loyalty that "he hates Russia," as if that made him a loyal citizen. This is the kind of thing I am trying to get at; that it should

be argued that anybody who hates Russia is a good man, when what we should be hating is communism and not the Russian people.

We must get the American people to understand that the Soviet Union is bad, that the Soviet people have no say in their destiny at all. These resolutions and this effort by this committee to really get to understand the strategy of communism and the real situation behind the Iron Curtain are most valuable. If we could only get this to the American public, there would be a different attitude. That is what we need so badly if we are to save ourselves.

I am one of the very few Americans who ever lived the life of the Russian people. I was not observing it from outside as a diplomat or from a journalist's point of view, but as a Russian sees it. I was not one of the privileged Russians, either. I know what it means to be under that government, to know what real terror is so you dare not speak to anybody; that you are afraid of your friends and neighbors because even if they are not in the secret police, they may be forced to accuse you in order to save themselves.

I do not think Americans have any conception or any idea of what terror means. We have got to try and make them understand what it means. You have got to have experienced it before you can explain. If the public here understood what it means to live under this kind of terror, they would not make this foolish mistake of identifying the Russians with the Communist government. This seems to me at the present moment a tremendously important thing because we have Sir Winston Churchill and the whole influence of the British press designed to make us make that mistake, and establish more trade with the Soviet Union on the false assumption that we can get along by establishing good relations with the Russian people, which we cannot do anyhow because we are not allowed to talk to them.

Senator WELKER. On behalf of Chairman Jenner of the full Committee of the Internal Security and every member thereof and the staff, I want to thank you profusely for your significant contribution to the hearings. It is gratifying for you people to take your time and effort to come here and help us in the problem that is ours so that we can do our best to carry out the obligation we owe to the Senate of the United States to protect the internal security of our United States.

Again I say thank you, and may you keep up your splendid crusade.

Miss UTLEY. Thank you very much.

Mr. ARENS. The next witness is Mr. Siegfried Garbuny.

Senator WELKER. Do you solemnly swear the testimony you will give before the committee will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. GARBUNY. I do.

TESTIMONY OF SIEGFRIED GARBUNY, NEW YORK, N. Y.

Senator WELKER. State your name, residence, and occupation.

Mr. GARBUNY. My address is 120 West 105th Street, New York, N. Y. My profession is economist.

Senator WELKER. Where were you born?

Mr. GARBUNY. In Germany, sir. I am an American citizen and came to this country in 1938.

Senator WELKER. What is your age?

Mr. GARBUNY. I am 39 now, sir.

Senator WELKER. You may proceed, Counsel.

Do you have a prepared statement?

Mr. GARBUNY. Yes, sir.

Mr. ARENS. Kindly give us a brief sketch of your experience in the field in which you are engaged as an economist, with particular reference to your experience in international trade.

Mr. GARBUNY. First of all, I would like to state that I do not belong to any political party, never have been enrolled in any political party, and have voted always on the issue. I like to think of myself as a conservative or perhaps a bit on the right side, but certainly as a conservative.

My experience in international economics is merely academic, with the exception of brief periods I served in the Department of State after I was separated from the service of the American Army. Before the Department of State, I worked in the Office of Strategic Services and Research and Analysis and happened to be in the U. S. S. R. division of that service. It was actually in OSS that my interest in Russian affairs was aroused, and I have never begged it in studying the issue, not only officially but for myself.

Since my chosen field is international trade and finance, this was almost a matter of course to do after I left Government service and turned to teaching the field of international trade in New York City.

In international trade I notice in my academic studies that a very interesting pattern is shaping up; namely, the pattern of international trade as we are used to it as western and democratic trade, foreign trade to increase our standard of living, to make things better. Then a peculiar type of international trade which I would like to refer to as Soviet foreign trade which has nothing to do with improvement of standards of living, but as it is at the present moment, really a type of trade which is an instrument of consequences.

The Soviets seem to me to use international trade for outright aggrandizement of their political and military power wherever they can set foot. This pattern I have particularly studied over the years and have published, sporadically, articles on the subject, one of which has a similar title to the statement here, "Foreign Trade—Road to Conquest," which I published in the Commercial International Chronicle in New York in February of 1953.

Mr. ARENS. I respectfully suggest that the prepared statement of Mr. Garbuny be incorporated into the record at this point as if read and that Mr. Garbuny be permitted to proceed to summarize his various points extemporaneously.

Senator WELKER. It will be so ordered.

(The material referred to follows):

TESTIMONY OF SIEGFRIED GARBUNY BEFORE THE INTERNAL SECURITY SUBCOMMITTEE OF THE SENATE COMMITTEE ON THE JUDICIARY—TASK FORCE ON STRATEGY AND TACTICS OF WORLD COMMUNISM

SOVIET FOREIGN TRADE—INSTRUMENT OF CONQUEST

Commerce among nations has always been regarded as a means to establish friendly relations among the partners and as a symbol of peace. This has been a time-honored maxim; but the Soviet Russians have taught the world differently. They have shown that this instrument of peace can easily be turned into a mighty weapon of warfare and into an emblem of slavery.

Immediately after their advent to power the Bolsheviks, then led by Lenin, reserved in April 1918 foreign trade for the state as a government monopoly. No private individual was allowed to engage in commerce over the borders. The

state through government corporations inside and outside Russia took complete charge of the international exchange of goods. The trade program was simple; only what the Communist state needed for its survival would be imported, the needs and demand of the individual Russian citizen was no longer of any concern. Foreign trade would no longer serve to increase the Russian standard of living.

True enough, as long as the Russians were busy with their internal affairs, the volume of Russian foreign trade remained relatively small. Yet, the Soviet state learned soon that the foreign trade monopoly offered special extra advantages to the Communist regime. It kept the citizens so much better in complete isolation and bondage at home, and yet it could be used for economic chicanery abroad. Soviet Russia's foreign exchange dumping maneuvers in the 1920's to upset foreign markets and to obtain much desired foreign currencies are still remembered. The foreign trade monopoly therefore remained one of the sheet anchors of the Soviet economy, and the decree of 1918 was incorporated in article 14 of Russia's so-called constitution.

It was, however, only after the Second World War that the Russians understood the formidable dynamic power that they could unleash through foreign trade on their road to conquest. Commercial policy became therefore a vigorous part of their general foreign policy. After World War II a systematic effort was undertaken to conquer not only by arms but also by foreign trade. It might be said indeed that foreign trade became an alternative to armed intervention and propaganda. In conjunction with the military and propaganda apparatus stands therefore now foreign economic penetration as a means of conquest. The post-war world suddenly saw Russia as the newest champion of international trade. That of course was something really sensational. With the voices of the sirens the Russians were now singing the praise of international cooperation. In all their pronouncements, verbal and written, the Russians were using the terminology of the democratic world, stressing the sovereignty and the equal rights of all trading partners as well as the mutual benefits of international trade. All the technical terms that we find in the commercial treaties of the western world were used. Yes, indeed, the Russians became almost treaty-happy engaging in a multitude of treaties and trade agreements wherever they could lodge them. In addition, trade fairs were sponsored and even a world economic conference could be assembled in Moscow in April 1952. And yet, it was Satan at work.

From the very beginning, in spite of all their efforts, the Russians could never conceal their total inability to collaborate in foreign commerce on an international plane. Their role in world political organizations is too well known to be repeated here; but perhaps a reminder of their attitude toward the International Monetary Fund and the World Bank is still in order. To make membership in the International Monetary Fund palatable to the Russians, the Bretton Woods Agreements provided that a country whose currency was only domestically used should not have to bare its financial affairs to the fund authorities.

This provision actually referred to the Russian situation, since the ruble, though allegedly on a gold basis, is not an international currency and is used only for internal circulation. The Russians could therefore have joined the fund without the duty of information about their own financial affairs, a matter in which they have always been very sensitive; yet, they would still have retained the privilege to learn about the economic status of their colleagues, a point of everlasting interest to them. But even this extraordinary concession was not enough. The Russians did not join. International cooperation would have meant the abandonment of their goal to conquer the world. Cooperation always means equal rights for all the partners. The Russians would have been forced to become truly democratic and to give up the fight for the world revolution for which they saw again propitious conditions.

This attitude of the Soviets toward the International Monetary Fund and the World Bank is typical of Russia's "will to international cooperation" and has been duplicated many times. Even if the Russians join an international economic or for that matter political organization, it will be for destructive and not for constructive purposes. This is inherent in their dictatorial quest for power. We just must realize that the Soviets are incapable of international cooperation in any sphere. All the more it is necessary to study how they wielded the hammer of foreign trade and what their future strategy is going to be.

The story of the subjugation of Russia's satellites and of the establishment of puppet regimes is well known, but less known are their economic consequences. No matter what their past economic setup and orientation were, all satellite countries turned into planned economies with their center in Moscow. The

Soviet "plan area" thus created includes now the U. S. S. R. proper, Red China, North (Red) Korea, Rumania, Bulgaria, Albania, East Germany, Poland, Czechoslovakia, Hungary, and Mongolia. To keep up appearances, all these countries had so far economic plans of their own, well attuned of course to the Soviet 5-year plan; but there is now substantial evidence that even this last sham will fall, and that the future Soviet 5-year plan will also cover the satellite economies, which will then be in form as well as in fact Russian dependencies.

Already now the Soviet plan area has all the characteristics of the Grossraum of Hitler's Germany and of the coprosperity sphere of prewar Japan. The plans of the satellites, originally 2 or 3 years in duration, are at the moment orthodox 5-year plans in step with Russia's own program. Just as they did for Russia, the plans provide for the industrialization of the satellites. A raw materials pool is envisaged by which each country exports raw materials in relative abundance for goods in short supply that can be had from one or the other partner. This traffic, however, must not be imagined as smooth commercial intercourse based on the profit motive and individual prosperity, but rather as directed by what the Soviet Union deems necessary in its own interest.

The Soviets have gone so far as to send specialists to the satellites to supervise production and to train skilled labor in order to step up production. They receive trainees from satellite countries who learn next to the party doctrine mechanical skills in the U. S. S. R. On a higher level the Russians established mixed commissions for scientific and technological cooperation. So far there exist only a Soviet-Polish, a Soviet-Albanian, a Soviet-Czech, a Soviet-Bulgarian, and a Soviet-East German commission. It is the task of these commissions to impart Soviet know-how to the satellites in those industrial areas in which the Soviets wish a rapid increase of output.

Where it is necessary, the Russians send equipment and even ship whole factories to underindustrialized areas. In this connection the Russians boast that they have given Rumania badly needed oil refineries and take full credit for whatever improvements in equipment Finland's industries can show.

At the same time, the Soviet orbit moved to establish uniform prices, tariffs, measures, and railroad gages. The brotherhood is pushed even further in some areas, where the Russians established by force, of course, mixed corporations with joint management as in the case of SovRom, the Russian-Rumanian oil concern, or in that of the mixed Russian-Chinese civil aeronautics lines.

To give all this activity a harmless appearance and to convince those who are gullible enough of their peaceful intentions, the Russians have based this system of economic annexation on a mesh of commercial treaties. Anyone who reads the speech of Mikoyan, the past architect of Russian foreign trade, before the 19th party congress in Moscow in October 1952 will be indeed surprised by the minister's constant reference to international law, commercial treaties, respect for the sovereignty of treaty partners—in brief, to all the concepts forever advocated by bourgeois jurisprudence. For their own case, Mr. Mikoyan and his collaborators praise the fact that Russia's commercial treaties with the "people's republics"—which is Russia's term for the satellites—are long-term understandings. This, so they say, guarantees a smooth development of the satellite industries. It protects them against crises and gives them confidence in their future by securing adequate raw material supply and markets for their products. The Russians, of course, never mention the fact that these treaties make the satellites completely dependent on the U. S. S. R. and this not only for a short period, but rather for a long time to come. Indeed through protocols to the existing agreements or through renegotiation closer and closer ties are continually established, as was recently evidenced by the protocol of January 1954 to the Russian-Chinese trade agreement of February 1950. This protocol increased the items of exchange between the two countries in a considerable fashion, although the original agreement had already provided for the closest cooperation.

In other words, the commercial treaties of the Soviet Union with the satellites serve as the legal basis for the annexation to the Russian Grossraum. The consequences of this annexation are clear. Soviet trade with the satellites and the trade of the satellites among themselves have tremendously increased, in some instances as in the case of the Russian-Finnish trade in machinery and machine tools as much as 10 times over prewar operations. By the same token, of course, the satellite trade with the western countries has rapidly decreased in spite of some occasional flickering here and there. This is a fact of tremendous significance which cannot be stressed enough, because originally the trade of

especially the European satellites with Russia was relatively small. The economies of Russia and of the satellites were not complementary, but in many ways—though of course in different dimensions—rather parallel. For buying and selling the satellites had therefore normally turned to Central and Western Europe as their natural markets.

This again is significant, because it shows that the satellites' turn to the Soviet Union must be accompanied by a structural change of their economies as well as by a strong decline of their standard of living, at least until this structural change and the consequent integration into the Soviet orbit are fully completed. The Russians will not worry about all this, since they look on the Soviet plan area as something similar to a war economy where the citizens' welfare is nothing compared to the state's defense. The feelings of the subjected nations are of course a different matter which the democracies will do well to remember.

For the time being, the world must realize that the U. S. S. R. has conquered the satellite area through its foreign trade policies. The next question is therefore, whether Russia's conquest through foreign trade is on the march elsewhere. The answer is, alas, positive. The Russians have found their new weapon a good one, and are determined to use it to the fullest degree, whereby they discriminate with infernal instinct between their victims and apply the medicine in different doses.

While Stalin was still philosophizing about the two separate world markets—the capitalist and the Communist—the Soviet Government invited representatives of both from all over the world to an international economic conference at Moscow in April 1952. From all reports this conference must have been a rather smooth and "Bourgeois" affair under the chairmanship of Mr. Nesterov, the president of the Chamber of Commerce of the Soviet Union. Here, the Soviets proclaimed to all who wanted to listen their readiness to trade with any nation that wanted to enter into commerce with the U. S. S. R. The Russians soon found that there was more of a response than perhaps even they had expected. Respectable Britishers like Lord John Boyd Orr cheered enthusiastically, the South Americans lent a willing ear, the Near East and Central Asia seemed ripe victims.

The Soviets of course realized that the game here would not be as easy as with the satellites and that the approach would have to be different, but they set out to work immediately. Since they are not in a hurry and are used to waiting many years if necessary, as in the case of China, where the battle took 25 years, they will be satisfied in the beginning with moderate results, much more moderate than in the plan area, as long as they get results. For the democracies, however, every Russian success is a tocsin of danger which must not be ignored. Disaster is bound to come, unless the Russian conquest through trade is not brought to a halt in due time.

Some of the new Russian successes shall be recorded here; but for all of them it is an established fact that the Russians are hardly interested in the economic advantages that might come to them from their new foreign trade connections, but much rather in the establishment of a political hold on their new trade partners.

The Near East, the Arab world, has always been of special interest to the Russians. Two major trade agreements are noteworthy in this respect, the Egyptian-Soviet Payments Agreement of November 1953 and the Lebanese-Russian Trade and Payments Agreement of June 1954. The latter agreement is rather elaborate and provides for an exchange of goods in each direction in the amount of LL10 million.¹ The Soviets will deliver industrial goods; and the Lebanese agricultural products. This agreement also contains through its special handling of the most-favored-nation clause a Soviet recognition of the Arab countries as a whole large unit, an idea from which some day not only the Arabs but also the Soviets may draw profit. The agreement also ties the method of establishing the exchange rate between the ruble and the Lebanese pound to the gold content of the ruble, and makes the ruble this way for once an international gold-based currency, quite contrary to its usual merely domestic function. This may have no practical significance, but it reveals once more the independent and arbitrary way in which the Russians see fit to arrange their economic and financial relations with their various trade partners.

Yet, the two Near Eastern agreements pale in the light of the Russo-Indian trade agreement which constitutes a significant milestone on Russia's road to conquest.

¹ Lebanese liras.

On December 2, 1953, Russia and India concluded a trade and payments agreement which will run for 5 years after which it can be extended by negotiations which must begin 3 months before the expiration date. Both parties have agreed to give one another preferential treatment in shipping and other facilities. Russia will render technical assistance on the installation and operation of equipment that it supplies, a clause that reminds very much of the agreements with the satellite plan area. All payments are to be made in Indian rupees; for this purpose, the State Bank of Russia will maintain accounts with the Reserve Bank of India and one or more commercial banks in India. The balances in these accounts will be convertible into sterling on demand. The agreement provides for the exchange of a large number of goods. Among the 20 items exportable from India during the first year of the agreement are jute goods, tea, coffee, tobacco, spices, shellac, wool, hides, and skins, vegetable and essential oils, coir yarn and ropes, live animals, chemical films, books, and cottage products. Among the 39 items available for export from Russia are wheat, barley, crude petroleum and petroleum products, timber and paper, optical goods, dyestuffs, chemicals, medicines, printed matter, films, and a wide range of industrial equipment, machinery and machine tools.

India's imports from Russia were valued at ² R2.3 million (about \$480,000) in 1950-51, R13.8 million in 1951-52, and R2.4 million in 1952-53. Exports to Russia during those 3 years amounted to R13.4 million, R6.7 million, and R8.5 million respectively.

This agreement is doubtless of great political and psychological importance, for both India and the U. S. S. R. Leading Indian newspapers have therefore hailed this compact in glowing terms. The Bengali Ananda Bazar Patrika of Calcutta stressed in an enthusiastic leading article Russia's willingness to send machinery and to give technical assistance to the unskilled Indians. And since western experience has already shown that the best capital equipment can be useless in India because of the lack of native skill, it may well be that the Russian teachers will be permanent in India, as they once were in China, and that they may repeat the Chinese lesson there.

Another Indian paper, the Hindu Ted of Delhi, on the other hand stressed the fact that the agreement adopted the Indian rupee as the unit of account and that thus Russia was the first great power to acknowledge India's sovereign currency. This was valued by the paper as a great success in prestige. In other words, India hailed the agreement not only as a commercial progress, but as a national victory. Russian commercial policy hit indeed the target. Yet, analogies with the beginnings of Russia's battle for China cannot be removed from the student's mind. In that case, Dr. Sun-Yat-sen had invited the Russians to help to establish China's national might through a Russian-trained Chinese army. The Russians came and actually never left, until China became fully subservient to the Soviet Union.

Russia has not stopped courting the western European democracies. Agreements with France, England, Italy, the Scandinavian countries, the Benelux area are still the order of the day in spite of Russia's unmitigated hatred of and opposition to any western bloc such as the Council of Europe, or the European Coal and Steel Community, not to mention the Marshall plan which they sabotaged from its very beginning. Sensing economic difficulties in England, the Soviets did not hesitate to come forward with grandiose offers as at the time of the Foreign Ministers' Conference in Berlin in February 1954, when the present Russian Foreign Trade Minister Kabanov submitted to a British trade delegation in Moscow orders to the tune of \$1,120,000.

Without doubt, such offers, even if they do not become contracts, leave a deep impression on the business world in any country, and this is perhaps the main reason why they were made. Other western countries received similar "favors" from the Soviet Union. The intention is clear. The Russians want to use such foreign trade to wean the western countries from their American ally. Beyond that they try to break the American export controls which is evident from the lists of goods they submitted to the British. These lists contained goods that could not be shipped to the Soviets under the present mutual defense assistance system. The Russians doubtless believe that, with the end of American economic aid to Europe in sight, they will be able to play the field again strongly and they don't want to delay the start.

Very striking, however, are the Russian attempts to conquer South America through trade. Two Latin American countries have recently concluded trade

² Russian rubles.

agreements with the U. S. S. R. for the first time in their national existence: Argentina in August 1953 and Uruguay in February 1954. The Argentine agreement is the first Soviet trade agreement in Latin America. It is so striking in its contents and reveals so well the Russian *modus operandi* that a detailed account of it has been appended to this statement. Already here it may be said that the agreement clearly shows the craftiness and the Machiavellian disguise by which the Russians try to establish a political beachhead through the friendly way of commerce.

There are then four different groups of countries where the U. S. S. R. tries to infiltrate its power through foreign trade. Firstly, the plan area of the satellites where the operation was fully successful, then the Near East and India where there is a very successful beginning; thirdly, the old West where economic crises may play into the hands of the Russian schemers, and finally the Latin American countries where virgin ground was just broken.

The question may well be asked: Why do these countries conclude trade agreements with the Soviet Union? The Soviet record is, after all, obvious. The answer cannot be given in one statement; for the reasons are different for the various nations. But it is safe to say that each nation hopes that it will be spared the extreme, though the basis for such hope is not rational; on the other hand each such nation is always driven to the Russians by some emergency. This emergency, whichever it may be, has always been cleverly understood and exploited to the full by the Russians. Economic difficulties in England make English businessmen amenable to Russian approaches which are only too gladly forthcoming; similarly, the difficulty to find a market for its products and a cheap source of supply drives Argentina into Soviet hands; Indian independence and indigence find the Russians as teachers and psychological and economic supports; the Arab world may take a similar view. The satellites were under Russian military occupation, but with Germany's destruction at the end of the Second World War Russia was anyhow a logical power to turn to. All these are possible answers to the query at issue.

Indeed at the moment of writing, influential circles in West Germany look to the U. S. S. R. for help in their fight for German reunification. Dr. Bruening's recent ominous reference to the Rapallo Treaty of 1922 is ill-boding. Through their agreement with the Russians at Rapallo the Germans played Russia off against the West. It marked the beginning of their new military and economic rise as a sovereign power, but it also fortified tremendously the position of the Soviet Union in the world.

Since Dr. Adenauer and his government, as well as the Western Powers have shelved the question of German reunification for the time being, the Russians have here an opening to win over those West German circles who place Germany's reunification highest on the agenda. Premier Malenkov has understood this, and in his interview with East Germany's Premier Otto Grotewohl earlier this month already expressed his desire for cultural and economic relations with West Germany. It would be fatal if Dr. Adenauer could not prevail in his Western policy against those influential circles in Germany, including the three former Reichschancellors, Drs. Bruening, Luther, and Wirth, who would pact with the Devil to reunite Germany. All this is a matter of conjecture; but the Soviets sense here once again one of these psychological moments which may lead West Germany toward them for another Rapallo.

A last problem of Russian foreign trade should be mooted. That is the question of Soviet gold. Does Soviet gold, as an instrument of foreign trade quite independent from the Soviet treaty system, constitute a danger to the Western World? Not too much can be said about this issue. A few things, however, are certain. The Soviets have, so far, not used gold as an instrument of economic warfare. Their gold production is a matter of estimate; nor is much known about the extent of Russian gold deposits, especially in the Lena and Kolyma regions. Soviet gold sales have recently taken place in the free markets of Europe, including London; but there is no report of disturbances of the market through Russian gold sales. The question of how much Russia would benefit from a rise in the price of gold and whether she would benefit more than such an underdeveloped area as the Union of South Africa is therefore difficult to answer. Yet, the immediate problem here is whether Russian gold does not make its way into the American Treasury. It is quite likely, considering the low cost of remelting, that Soviet gold freed of the hammer-and-sickle emblem is shipped to the United States by Russia's European trade partners. By accepting such gold without knowing the actual origin the American Treasury would facilitate Russian trade with Western Europe, which is certainly a doubtful result.

In conclusion, it may be stated that militarily, economically, and politically the Soviet Union has only one firm and strong opponent: the United States of America. For this reason the U. S. S. R. has reserved all its abuse and in-vectives for this country. Its propaganda against the United States of America in other countries is formidable. With each trade agreement it concludes, it also extends its propaganda radius. With the wares it sends, it passes along its anti-American hatred. Against that the United States has to take the strongest stand. This propaganda must not be underrated. Everything must be done to counteract it. Especially now that economic aid may decrease or cease, the United States must be vigilant to keep the loyalty of the former aid recipients. Beyond that, it is especially important to vitiate the Soviet trade effort. Having recognized Soviet foreign trade as an instrument of conquest, everything must be done by the United States to attract the world's trade to its own shores or to help to establish conditions in which the free world can trade with each other without Russia's participation. Export controls as established in the Export Control Act of 1949 and the Battle Act of 1951 should be continued in one way or another. That they were extremely successful is evidenced by the violent Russian reaction against them. That they hurt the Russian orbit much more than the Western World is evidenced by the statistics. Through a proper tariff policy and technical assistance the United States can continue to help the free world to stay free and beyond that stop the Soviet march to conquest.

It would be unrealistic to hope for complete commercial isolation of the U. S. S. R., but the cordon sanitaire can be tucked tighter and tighter. If the United States remains a market for foreign products and a supplier of credit, raw materials, and finished products, if trade, not aid, becomes the regular feature of American relations with other nations, then the free nations will have no reason to fall for Russia's siren song.

It is clear that Russia's foreign trade serves one purpose only: to aggrandize the Soviet power. It is one more instrument of conquest.

In such circumstances it is the task of the United States to stop not only the Russian soldier, but also the Russian trader.

APPENDIX

THE SOVIET-ARGENTINE TRADE AGREEMENT¹

Late in October 1953, Buenos Aires announced the first shipment of goods for the Soviet Union under the Russian-Argentine trade agreement signed in August 1953.

The importance of this agreement lies in its political aspects, including economic policy, and not in its detailed provisions. The first trade agreement between the two countries, it furthers a general rapprochement between the partners and also establishes a lively exchange of goods, which heretofore was small, since 1949 almost nonexistent. The agreement, concluded for 1 year, is renewable at the parties' wish.

It is easy to understand Argentina's new course. Her hard currency reserves accrued during the war were soon exhausted. This resulted from Argentina's increased import requirements due to the growth of her population and industrialization. Furthermore, orders unfilled on account of the war and substantial price increases in Argentina's traditional purveyor countries aggravated the situation. To offset current imports through exports was difficult for the Argentines because of their creditors' unwillingness to accept their goods. The Argentines looked therefore for cheap supplies from nations that were willing to buy Argentine goods. They found Russia.

The agreement also reflects Argentina's wish for independence from one particular exporter or group of exporters, e. g., the United States and Great Britain, and for prosperous trade with many countries. Argentina hopes to thus secure that freedom which might grant her at the time of industrial maturity a formidable position in South America and the world over. This attitude is stressed by Argentina's renewed intensive trading with West Germany.

In comparison with Argentina's American and British trade the dimensions of the Russian-Argentine agreement are moderate. Very likely the United States and Great Britain will continue to loom large in Argentine trade, though both countries have lost substantial ground to Germany. But the important point is that the goods which Argentina buys from the United States and the United

¹ Originally published as a letter to the editor of the New York Times, December 14, 1953.

Kingdom parallel those in the Russian convention; and there is nothing to stop her from expanding her trade with the new partner.

A look at Russia reveals that the economic consequences of this compact are insignificant for the Soviet Union. Economically the agreement is important only for the Latin-American partner. Why then did the Soviet Union conclude this agreement? A scrutiny of Russian foreign trade pacts gives the answer.

In the Soviet economy foreign trade has always played a secondary role and served more political than economic purposes. After the Second World War trade pacts have been a studied instrument for economic penetration and political domination. The trade agreements with Russia's European satellites are an object lesson. These countries turned their trade to Russia and subjected their existence to Soviet tutelage. All these pacts, economically significant for Russia's partners, are unimportant for the Soviet economy and constitute a Soviet attempt to win control over the partner via the partner's economy.

The significance of the Russo-Argentine agreement for the Soviet Union lies therefore exclusively in the extension of its political power to Argentina. The Russians will try to tie the Latin American Republic more to the Soviet orbit by putting the agreement in the future on a larger scale. The economic bond tightened, Soviet propaganda will increase to wean Argentina from her North American and European partners. That Argentina is just the beginning of Russian penetration of South America is obvious and is evidenced by the willingness of President Ibanez of Chile to open trade negotiations with the Russians.

When Stalin criticized Argentina to President Roosevelt, Peron was not yet the head of that nation. Since then peronismo has come into ascendancy. Peron borrowed the idea of the 5-year plans and established a complete dictatorship. Russia's present cordial relations with Argentina led to the speculation that dictatorships, no matter what their differences, always attract each other. This affinity may spell dire political and economic consequences for the Western countries. This is the deeper warning of the Russian-Argentine trade agreement for the democratic world.

MR. ARENS. May I invite your attention to the Soviet plan area which you allude to in your statement?

MR. GARBUNY. Yes.

MR. ARENS. What is the Soviet plan area?

MR. GARBUNY. You may recall that at the end of the war the neighboring states of the Soviet Union were under Russian military occupation. They had no choice to do anything but what the Russians told them. Germany was utterly prostrated and destroyed. Germany didn't exist. So they had to do what the Russian masters ordered. The Russians, in order to give their policy a peaceful garb, began to establish a mesh of international trade treaties, in particular with practically all neighboring areas and even areas a little bit farther removed from the Soviet border.

This plan area which was created by trade agreements includes today Red China—if I may call Communist China simply Red China—North Korea, Albania, East Germany, Poland, Czechoslovakia, Hungary, and the Mongolian Republic.

MR. ARENS. How does this Soviet plan area operate?

MR. GARBUNY. There is a central plan in Moscow dictating to all these satellites, as we are used to calling them, what they have to do agriculturally, industrially, commercially, et cetera. Up to now these satellite countries had plans of their own which were put in step with the master plan in Moscow. Quite recently—I think this last disguise will fall and there will be one 5-year plan in Moscow simply taking in all these countries as a subcategory of the plan.

MR. ARENS. What is the objective of the plan?

MR. GARBUNY. To use these countries for Russian economy and just to make them colonies or servants of the Soviet economy without any

sovereignty of their own, without any economic or political life of their own.

Mr. ARENS. Let us move to the Soviet trade offensive outside of this plan area. First, however, the plan area embracing the satellite countries, if you will kindly address yourself to the Soviet trade offensive outside of the plan area.

Mr. GARBUNY. I shall be glad to do that.

On page 7, I begin with the story of the Soviet offensive elsewhere. I like to distinguish here three different groups. This is a mass offensive, but there are three different approaches. One approach or one offensive is directed to the Near East. I would prefer the word "Near East" to "Middle East" because it is actually the old Near East, the Arab world. It may well go into North Africa and up to Spanish Morocco if that is not stopped.

Then connected with the attack, the commercial attack, on the near eastern world is the attempt to rope India into the Russia orbit. I believe the Russian-Indian trade agreement of 1954 is perhaps the most portrayed agreement that the Soviet Union has concluded recently.

Mr. ARENS. Why?

Mr. GARBUNY. It is an agreement which branches out into practically every sphere of economic activity—exports and imports—comprising different major categories of commodities. You will realize that 59 major categories actually mean all the trade. That this is so is also borne out by the fact that the Russians will not only deliver equipment but they will send—and this is the dangerous part—the trainers, the instructors with the equipment to train the Indians. It does not take much imagination that these instructors, if past history in China is any example, will bring not only machinery and know-how but doctrine and the Communist Party line.

Mr. ARENS. Are you conversant with the fact that the United States Senate Subcommittee on Strategic Materials reports that we procure from India—by "we" I mean the United States—certain very strategic materials?

Mr. GARBUNY. I am not familiar with this particular report you mentioned, but I am from my war activity, of course, familiar with the fact that we got a good deal from India; for instance, very special type of mica which was very important then. Take Finland, if I may go back to the plan area. We used to do a lot of trade with Finland. But that is taken away. The same thing may happen in India if we don't watch.

Mr. ARENS. Would you say the Communist trade offensive in the Middle East and in India is part of a political strategy?

Mr. GARBUNY. Absolutely, absolutely. I am absolutely convinced of that.

Mr. ARENS. What is the third area now of the Communist trade offensive? You have spoken first of all of your Communist trade plan area with the satellites; secondly, of the Communist trade to offensive in the Middle East; and now what is the third area?

Mr. GARBUNY. The third area is what I would like to call the old democracies. It is no reflection because of the word "old." By this I mean a trade offense which is almost surreptitiously undertaken on countries like Great Britain, France, Italy, the Scandinavian countries, and quite recently in a very indirect way with the West German Republic.

Mr. ARENS. How about South America? Is that included?

Mr. GARBUNY. No, sir. That would be the fourth area for very special reasons.

Mr. ARENS. Let us maintain our interest on the third area, then.

Mr. GARBUNY. The offensive here, as far as I can see it, and this I must say again is only based on theoretical studies, it seems to me that the Soviets' move in the moment they notice there is a crisis. It does not take much reading to know there are crises continually in these countries because they are not back to their normal position from the ravages of the Second World War and all the strain they have been under after that.

As an example, one of the most striking examples, I felt, was the offer made to some British industrialists as reported in the New York Times in February—a Mr. Scott—an offer of over a billion dollars of goods to be delivered from England to the Soviet Union. This offer was made at the time of the Berlin Foreign Ministers Conference. It was like a bombshell. Everyone was upset. If the Russians can give so much business to England and no strings attached—they want to pay—why shouldn't we trade with Russia then?

This is an almost normal reaction. This is devilish psychology applied by the Russian Foreign Trade Ministry. They do the same thing in France and England. You would not believe the Russians even have a trade agreement with such far-out islands as the Faeroe Islands, which is the Danish unit north of the British Isles, and in the same relation to the Danish King that that island was before it became independent.

The Faeroe Islands deliver on the basis of a trade agreement of January or February of this year to the Soviet Union their fish catch almost exclusively. The Faeroe Islands do not need any other country. They exist on what the Russians give them. This is a very small example. I could multiply it with Iceland, Denmark, Sweden, Italy. May I call your attention to the way the Russians have handled the 100 million reparations payment on which they insisted from Italy?

When the Italians showed a weakness, they did that. But at the same time Mr. Togliatti was going all over the country. There seemed to be a possibility of a quick kill. "Those assets you hold in Rumania, in Albania, in Bulgaria, and which we have taken over, will be counted as part of the reparation," they said, which means the Italians, I don't know exactly what amount, but they will pay only a very small amount of this hundred million dollars. This is the way in which the western democracy is lured into the Soviet orbit.

Mr. ARENS. They are lured into the political orbit because of being lured into the economic orbit?

Mr. GARBUNY. Absolutely.

Mr. ARENS. May I invite your attention to the area of Latin America or South America as a fourth area of the Communist trade offensive?

Mr. GARBUNY. Gladly. I may call to your attention that on page 17 I have inserted a letter to the editor of the New York Times that I took the liberty to write in December of 1953 on the Soviet-Argentine trade agreement.

Senator WELKER. Was it printed?

Mr. GARBUNY. Yes, on December 14 in the New York Times. This agreement went by, unnoticed in America. I have been watching and

waiting. When I noticed this agreement in the Pravda in August, I made a mental note that I might write about it if nobody else mentions it.

Mr. ARENS. Maybe it went unnoticed to your judgment, but there are those on the internal subcommittee who did take note of it.

Mr. GARBUNY. I was thinking actually of the commercial journals and the daily papers which reported the fact, but not the importance of the agreement.

When I noticed nobody took the initiative, I began to write this letter. What I said then still stands, and I felt it might be best to attach it here. That is a very significant agreement for many reasons. The first reason is that it is the first straight agreement which the Soviet Union concluded with any Latin American country. The second reason is that Argentina, which in our mind has always been, if I may say so, a conservative and careful country, extended its hand to atheist Communist countries. That was the second important reason.

The third reason was this agreement is economically of absolutely no importance to the Soviet Union. One hundred fifty million dollars of goods each way is a drop in the bucket for the Soviet Union. The goods that go over have absolutely no relevance for the Soviet economy.

Senator WELKER. What are the goods, wheat?

Mr. GARBUNY. Yes. Hides, skins, oil, seed—similar agricultural goods which the Soviet Union can get from the Soviet countries. One hundred fifty million dollars, on the other hand, is important for Argentina's economy. So the favor economically in this agreement is for Argentina. They got machinery, transportation equipment, trucks, railroads, electrical equipment, refrigerators, etc.

Senator WELKER. What do you have to say with respect to whether or not this trade agreement with Argentina does not amount to, in fact, a chance for the Soviet Union—for the Communists, should I say—to send in technicians under the guise of being technicians but who are espionage agents, saboteurs, and men sent there destined to sell the Communist philosophy to the people of Argentina?

Mr. GARBUNY. Sir, this agreement does not provide, as the Indian agreement does, for sending of instructors or skilled personnel to establish plans. The Argentines apparently have that. But with each commercial treaty and with each unfolding of the treaty, because there will always be a trade mission, there will always be controlled personnel, there will always be a ship and a crew of sailors that come with the cargo. Though I have no knowledge of that, experience in trade matters tells me that as soon as you have trade going the Russian way, you need trade representation in Buenos Aires.

Senator WELKER. As a matter of fact, you know—and I think this committee has had some testimony to the effect—that the trade missions are infiltrated with nothing but Communist agents destined to sell their philosophy to this country.

Mr. GARBUNY. Absolutely. There is no doubt about it. Such a trade agreement will establish such a trade mission parallel to Amtorg in this country. This agreement, I may say, is in addition not a single agreement. Shortly after that Argentina concluded an agreement with Poland; in other words, with another country that belongs to the Soviet orbit—

SENATOR WELKER. As a matter of fact, doesn't Russia have trade agreements with all of the satellite countries now?

MR. GARBUNY. Not with all, sir. I cannot give you the list, but with a substantial amount. I am sure, but my knowledge may be deficient. I must admit that.

MR. ARENS. The Kremlin has the satellite countries integrated in various stages in their economic system, whether by trade agreement or pact or just by outright order?

MR. GARBUNY. There is no doubt about that, but special trade agreements which I have come across as far as Argentina is concerned is only the Argentine-Russian agreement and the Argentine-Polish agreement.

SENATOR WELKER. I would like to ask your opinion about the political philosophy of Argentina. Is that a dictatorship or a republic, or is it destined, as you say, to the right or to the left or liberal or what? How would you describe that to the committee?

MR. GARBUNY. This has been much on my mind, sir. I must say this: From all I can see, and I wish to be somewhat careful in wording this, Peronismo, the government of General Peron, is a dictatorship. It is a dictatorship the Latin way, which means a milder form of dictatorship. It is not a dictatorship exclusive to the right. In the Peronismo you have the proletarian, if I may use this word without reflection, as in the center of the movement. The Descamisados, the shirtless which are often referred to in the press and the literature, stand in the center of the Peron movement or government. If you read the late Mrs. Peron's book, the Reason of My Life, then you will find many passages that have almost, in my mind, a Communist ring.

SENATOR WELKER. Would you say it was socialistic?

MR. GARBUNY. Yes; that certainly is true, except they have not formally adopted the Socialist dogma. They do not speak about Marx and the other Socialist theorists. You won't find that. You don't have the authors, but you have the substance.

SENATOR WELKER. Being the very profound expert that you are, I wonder if you could refresh my memory with respect to the activity of Argentina at the Caracas Conference when our Secretary of State went there. As I recall from the press, there was a movement then that all of the Americas—Latin America, North America—should unite together against communism. Do you know how Argentina voted on that matter?

MR. GARBUNY. I do not know. I am not sure, but I do know that Argentina was not among the countries that abstained from vote as Mexico did. I believe that is correct.

SENATOR WELKER. I had the impression that Argentina abstained from voting, and I am not sure.

MR. GARBUNY. I would not know, sir.

SENATOR WELKER. I believe the record will show that she did abstain from voting along with Mexico.

MR. GARBUNY. That is interesting.

MR. ARENS. Mr. Garbuny, can you express to this committee the potential threat of Soviet gold to destroy the economy of this country?

Mr. GARBUNY. This question is more of an afterthought with me. It has cropped up in the press time and again, and especially in the hearings. I believe it is the Bridges-Reece bill. I notice Mr. Randolph Burgess of the Treasury brought out the point that rise in the price of gold is not desirable because the Soviet Union would be profiting from it. I am not authorized to interpret Mr. Burgess, but it seems to me this statement is based on the assumption that the Russians are using gold wholesale to attract trade and that they still have more to use to disrupt the normal channel. If the price of gold is raised, then they would have still more power.

Senator WELKER. May I interrupt at this point, and I will ask you if it is not a great duty of ours to try to make friends in the Latin American countries, to have them on our side, and to have them appreciate our way of life and we appreciate their way of life?

Mr. GARBUNY. Certainly, sir. Every effort unsparingly should be made to win over every Latin American country. They are our most natural allies on this side of the hemisphere. If I may utter a word of hope, I believe it is possible. It can be done.

Senator WELKER. But I take it you agree with me we must use sane, sensible approaches and not to go overboard to try to help a country which might turn against us in the hour of crisis.

Mr. GARBUNY. A hundred percent I agree with that.

Mr. ARENS. Do the Russians have their own gold mines and access to the gold resources of the world?

Mr. GARBUNY. Russian gold has always been a matter of guess. There is no doubt that the Russians have gold. They have gold, certainly, in the Lena region, in the Lena River in Siberia. They have gold in the Kolyma region. There are two questions we must ask. The first question is, How large are the deposits? What are the results of prospecting, and have the results been made public?

The second question is, Even if they have large deposits about which we do not know, do they mine them? Are they in a position to mine them, or is mining possible? Both questions have never been reliably answered.

If you follow our published statistics or those of the World Bank or the International Monetary Fund, you will always come across the remark "estimated." We have some evidence, however, that the Russians must have some gold and gold of their own because there are gold sales from time to time. The Russians sold substantial amounts of gold in the free gold markets of Western Europe recently, say since last October. They did sell some gold, the reports were, to the London firm of Montague & Coe with the intention this gold would reach eventually the Bank of England, and apparently it has reached the Bank of England.

There were sales of gold in France. Whether these sales were substantial so that they could be considered an economic weapon is pretty much up in the air.

I brought in this question because there is the question of the Union of South Africa. You may ask, What is the connection here? Let me state it briefly please. The South African Finance Minister has been carrying on a very strong up-hill fight for a rise in the gold price and never succeeded so far, with minor concessions excluded. He believes that his country would profit immensely from a rise in the price of gold.

That is obvious because South Africa is a large gold producer. South Africa should be considered an underdeveloped area. If the rise in the price of gold becomes the truth, this undeveloped area would have additional funds for development. Considering that the Russians, of course, have also an art in stirring up trouble, one should reconsider the question and perhaps say that in the consideration of a rise of the price of gold that Soviet gold should not be an issue. That was the idea that I had in mind when I spoke about Soviet gold.

Senator WELKER. You are speaking about South Africa?

Mr. GARBUNY. The Union of South Africa.

Senator WELKER. Have you made any study with respect to antimony down there?

Mr. GARBUNY. No, sir; I have not.

Senator WELKER. But I take it if our country imported antimony from South Africa or the Gold Coast or wherever it is mined there, which is much cheaper than our domestic mines, and as a result thereof the largest domestic mine in the United States has been closed since August 1, 1951, that might be of some assistance.

Mr. GARBUNY. No doubt about that.

Mr. ARENS. Mr. Garbuny, what in your judgment are the basic steps which should be taken as a matter of policy by the Government of the United States in order to stem this tide of Communist encroachment, worldwide?

Mr. GARBUNY. Sir, I can of course speak only from the point of view of trade and economic measures. That is the only field I am competent or believe to be competent in. In the other fields there are too many issues which I do not know enough of in order to have a sound judgment.

There is one thing to me of paramount importance. Since the Russians have a trade war, we must retaliate. We must do everything to get the trade of those countries who have not yet fully fallen into the claws of the Soviet to see that these countries do not trade with the Soviet Union but rather with us or among themselves. In the interest of our own domestic economy we cannot take over all the trade of all the world. That would not be possible. But we can do an awful lot through financial measures, tariff measures, to attract imports and stimulate that way exports to countries which would otherwise trade with the Soviet Union.

Senator WELKER. How about these imports we are enticing our friends to give us; are they destroying the domestic economy of our own country?

Mr. GARBUNY. This is a very serious problem, sir. There are two possibilities. First of all, there would be the question of simply buying up and storing, depending on the goods, until some time these goods can be resold by the United States elsewhere. The question of subsidy to industries which suffer from imports should be vented. Certainly it might be possible to advise potential exporters to us to do a little shifting in their industrial base.

Secondly, we could extend credits to other countries so that they may be in a position to buy what we do not want to buy. If I may take a hypothetical case which has at the moment no real rational basis, if we gave an extensive credit to a South American republic that is still an underdeveloped area to buy machinery from Great Britain, that would be such a thing where we could help immediately and

divert British trade with Russia to this hemisphere. Long-term credit or medium-term credit would grant us a return later on. There is always the hope that during the time we are engaged in such an operation there is a change in the Soviet Union.

Senator WELKER. I have only this observation to make with respect to your subsidy philosophy: I believe it was Lenin or Stalin who said they would destroy our country economically without firing a shot, and if we keep on with this subsidy business, that is just exactly where we are going because that is just taking it out of the pocket of the taxpayer and giving it away.

I do not want to engage with a learned gentleman such as you with respect to a problem so acute and so serious because I do not profess to be fully advised on the matter. But a conference of Western Senators meeting with the mining industry just a few days ago in which the mining industry, which is paralyzed with respect to lead, zinc, and antimony due to our imports from overseas—they blankly made the statement that subsidy was not the answer. Tariff would have to be our only relief. The Tariff Commission, I think you are advised, so recommended to the President in May of this year.

Mr. GARBUNY. Sir, that is very interesting. I spoke in general terms. We would have to go from industry to industry. This would be a case where perhaps our industry would have to produce for the home market, and the exports that come to us from other countries would have to be shunted on another rail to another country. Possibly that could be done through long-term contract which has been given from this country to some group or syndicate in South America. These things are not entirely new.

Mr. ARENS. Is it possible to have a peaceful coexistence economically with the Soviets?

Mr. GARBUNY. Sir, from what I have said, I don't think so. I just do not think so. All the indications are contrary to that.

Mr. ARENS. What in your judgment would be the effect if this Nation should sever diplomatic relations with all the Iron Curtain governments and thereby, so far as possible, sever trade relationships?

Mr. GARBUNY. That is a very difficult question for me to answer because there are many other points involved. There is one thing, sir, that I would like to say here which occurred to me when I heard about this for the first time. The Embassy here on 16th Street, or wherever it is, is probably a listening post and nothing more.

Senator WELKER. Not only a listening post—I do not think you want to limit it to that, do you?

Mr. GARBUNY. No. Whatever you want to call it, it is not an embassy in the sense of international law. If you send them home, you have another problem on your hands. That is the problem of the delegation in New York, the United Nations. It is a problem of Russian citizens in the secretariat. It is a problem of who works with other groups or nationalities there. So that the rupture of diplomatic relations, if it extends only to the Soviet Embassy on 16th Street, is of not much practical effect in terms of internal security.

Mr. ARENS. How about extending it right down the line?

Mr. GARBUNY. That is an entirely different thing. I do not find that in S. 247. If you do that, you have them out. But it would be for a man in international relations to tell you, not for me as I am only

in economics, what generally the result of such severance is. Whether you have still the possibility of negotiating—take the Berlin situation. How would that internationally affect the Berlin situation for occupying forces? You have the question of the armistice in Korea. About all this I do not have the technical equipment to answer.

I was very intrigued when I saw Senate 247, and it started me thinking; but I have no real answer on that because I feel there are so many angles that have to be vented. Perhaps one thing, sir—that is the psychological effect.

Senator WELKER. Let me interrupt to say we have been planning psychology until we are going to psychology ourselves right out of existence, in my opinion. I have been listening ever since I have been in the Senate and prior to coming here about this psychological warfare. We have taken last in every move I have been conversant with. So I am not going to be impressed with this psychological business. I think it is about time that America stood up on its own feet for a change and stopped making fools of themselves because while we are playing psychology, as we have done for all these years, you have seen this country go down and down and down and communism gain and gain and gain. Some 800 million people since we started that wonderful philosophy of psychological warfare, or whatever you might term it, have been enslaved.

Mr. GARBUNY. You absolutely stated it.

Mr. ARENS. We appreciate very much, indeed, your testimony today. Thank you for your appearance.

Senator WELKER. On behalf of Chairman Jenner, the entire Committee of Internal Security, and the staff, we certainly appreciate your coming here at time and expense to help us in our problem. You have been a profound witness. We appreciate your contribution to our cause. Thank you very much.

Mr. GARBUNY. Thank you.

Senator WELKER. We will now be in recess.

(Whereupon, at 12:35 p. m., the committee recessed, subject to call.)

STRATEGY AND TACTICS OF WORLD COMMUNISM

THURSDAY, JULY 8, 1954

UNITED STATES SENATE,
SUBCOMMITTEE TO INVESTIGATE THE ADMINISTRATION
OF THE INTERNAL SECURITY ACT AND OTHER INTERNAL
SECURITY LAWS, OF THE COMMITTEE ON THE JUDICIARY,
Washington, D. C.

The subcommittee met at 10:30 a. m., pursuant to call, in room 457, Senate Office Building, Senator William E. Jenner (chairman of the subcommittee) presiding.

Present: Senators Jenner (presiding) and Welker.

Present also: Richard Arens, special counsel; Frank W. Schroeder, professional staff member; and Edward R. Duffy, investigator.

Senator JENNER. The committee will come to order.

Mr. Taylor, will you be sworn to testify. Do you swear the testimony you will give in this hearing will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. TAYLOR. I do.

TESTIMONY OF HENRY J. TAYLOR, NEW YORK CITY

Senator JENNER. For our record, will you give us your full name?

Mr. TAYLOR. Henry J. Taylor.

Senator JENNER. Where do you reside, Mr. Taylor?

Mr. TAYLOR. 230 Park Avenue, New York.

Senator JENNER. What is your business or profession?

Mr. TAYLOR. I am a journalist and economist. I have spent my life on the question of international economics.

Senator JENNER. With that background, Mr. Arens, you may proceed with the questioning.

Mr. ARENS. Mr. Taylor, at the request of the Internal Security Subcommittee, you have prepared a statement for submission for the record, is that correct?

Mr. TAYLOR. Yes.

Mr. ARENS. Mr. Chairman, I respectfully suggest that Mr. Taylor's statement be at this point incorporated in the record, and that in accordance with the custom of the committee, you now proceed to speak extemporaneously on the subject matter.

Senator JENNER. The prepared statement may go in the record and become a part of the record. Then you may proceed, Mr. Taylor, in your own way.

(Mr. Taylor's prepared statement follows:)

TESTIMONY OF HENRY J. TAYLOR BEFORE THE INTERNAL SECURITY SUBCOMMITTEE OF THE SENATE COMMITTEE ON THE JUDICIARY—TASK FORCE ON STRATEGY AND TACTICS OF WORLD COMMUNISM

Gentlemen of the Senate, this subcommittee is dealing with a subject very dear to my heart. I appreciate your invitation to appear before you and I would be very grateful were it possible for me to make even the smallest contribution to your considerations.

I note your chairman's remark during an earlier testimony on June 10, that "the Communist conspiracy in the United States is only one tentacle of a worldwide octopus which has as its principal target the United States of America."

May I suggest that one of the other tentacles is the Soviet potential through East-West trade from the Soviet point of view.

We read about a new treaty nearly every day, made by England, France, Italy, Switzerland, Greece, Sweden, Norway—countries that not long ago thought and feared that by now they might be at war with the Soviet Union.

Top Red economic commissars in the Gosplan Bureau, which controls the nation's entire economy, back up the Soviet Foreign Office in greeting visiting treatymakers and European businessmen who follow close behind; such as the 33 British businessmen who recently arrived in special Soviet airline planes.

This, of itself, brought about the biggest burst of Anglo-Soviet business activity ever known in the Russian capital; directors and technicians of 12 British firms negotiating with 5 Soviet trading agencies. And what these buyers have found in Moscow has made their eyes pop with wonder.

The Official Soviet memorandum they received from Gosplan's Central Statistical Board listed things now in good supply in the Soviet Union. The list makes amazing—and thought-provoking—reading:

Oil, iron, manganese ore, gasoline, kerosene, aluminum, large boilers, diesel engines, roller and ball bearings, synthetic rubber, chemicals, dyes—and mountains of wheat and tea.

Take oil, for example. Russia was supposed to be pinched for oil. Yet Russia is selling petroleum products freely to Finland and two of the British merchants were able to sign a series of five contracts to buy three and a quarter million dollars' worth of high-grade Russian refined oil products the first day they arrived. The British negotiators said they were buying 100,000 tons of these products mainly (interestingly enough) for resale in European markets.

In turn, the Gosplan chiefs bought 50,000 tons of refined sugar from another Britisher, the biggest such sale in more than 20 years. Had she wished, Russia could have bought this from her satellite states. Several are exporting sugar. And after the contracts were signed the British merchant asked the Gosplan man the equivalent of "How come?"

"Trade, not aid," he answered in unsmiling parody of our free-world slogan.

The delegation from Paris announced that Russia's buying under a 6-months-old French trade agreement would now be increased. Greek, Argentine, Swiss, Swedish, Norwegian and Italian delegations have made similar announcements, or new treaties, since Malenkov took over. In Zurich Swiss international bankers estimated to me that more than 20,000 freight cars of materials from Italy alone have found their way behind the Iron Curtain in recent months.

Like the bells on the pigeons of mythical Shangri-La, the siren song of Soviet trade, backed up by Soviet gold, sounds sweet in Europe's ears, especially with American subsidies and aid declining. But the bells should be ringing out a warning.

Right now, Russia, buying at high prices, looks good. Beyond that, West-East trade looks so good (and profitable) that it obscures the fateful prospect of what will happen when giant Russia, already consolidated, turns into a seller of many products Europe makes today.

Products, you say? We laugh at most Russian products we see illustrated; and certainly what is being handed to Soviet civilians is of mighty low order. But come with me for a moment to Finland. It was there I had my first awakening to what the Russians can produce when they want to.

With three Finnish Army reconnaissance scouts I was traveling along the Russian frontier in the Arctic forests. A Russian patrol passed and paused on its side of the boundary.

Now, Russian-made radio sets for civilian entertainment are fully as jerry-built, shoddy and primitive as we imagine. Yet here stood that Red Army patrol communicating with its command post over a Russian-made military walkie-talkie as good as any to be seen anywhere in Europe or America.

In Helsinki the Chief of Staff of the Finnish Army, hardly a man to overestimate anything Russian, confirmed to me that the quality of Russia's military radios, radar stations, complicated army communication layouts and devices is excellent in workmanship and design, and amazingly abundant.

The Red civilian automobile, the Probeda, the "people's automobile," is a notorious dud; so is the civilian Moskovitch car. Both are poorly made and collapse quickly. Yet Russian-made military trucks are solidly built and efficient. So are Soviet tanks.

Russian civilian ironwork is crude and clumsy. Yet Russian-made artillery of the most intricate type is the equal today of any in the world. It laid down barrages on us in Korea heavier than any we encountered from the Germans in the last war.

"When the Russians concentrate on getting something done," Finland's Chief of Staff explained, "it's clear to us that they can get it done—done surprisingly well."

Under Stalin they simply concentrated on military output, that's all. And of course there remain numerous bottlenecks and woes obstructing Russia's productivity under Malenkov. But when they concentrate on consumers' goods, watch out!

For that is the key to the Red mystery of the East: concentration. They concentrated on jet airplanes, made a lot of them, and good ones. They concentrated on artillery, made a lot of it, and good artillery. They concentrated on tanks, made a lot of them, and good tanks. They concentrated on intricate radar interception devices, and ended up with a warning network far more extensive and fully as efficient as ours.

The giant consolidated nation that can do these things can make an awful lot of alarm clocks and whatnot any time it wants to and sell them—or barter them—cheaper than Europe can imagine today.

Americans, above all others, should respect that word "consolidated." While Western Europe is still chopped up into some 18 separate nations, walled off from each other by barbed-wire entanglements of tariffs, currencies, cartels, etc., the Soviets have constructed a vast unified trade area bigger than anything the world has ever seen. It stretches from Berlin to Shanghai. It includes Russia and all its satellites, comprising some 700 million people. Think what that means in terms of both the economics and the economies of mass production, with unlimited and unrestricted access to raw materials and to markets. Even our own United (48) States are small in comparison.

Both as a buyer and a seller of consumer goods this vast Soviet trade area can have an overpowering political effect on a divided Europe. As in the Nazi era, markets can be wiped out through the dumping of Russian products. Or conversely, Soviet orders can be switched about from country to country in such a way as to produce crisis, unemployment, and political upheaval within those countries.

The grim and inescapable fact is that there has been enormous industrial and technical progress in the Soviet Union since the war; stupendous by Russian standards and enormous even by our own.

Considering Europe only, there are two population blocs exactly the same size. Western Europe is a disunited grouping of 200 million people. The Soviet Union has 200 million people all its own, completely unified. Russia already produces three-fifths as much steel as all Western Europe and more than half as much coal and electricity. But it is the rate of acceleration, the high speed, in the overtaking of Western Europe by Russia that counts the most.

Britain, for example, as largest coal producer, still has not recovered her pre-war coal output. She now plans to increase it 20 million tons a year by the end of the next 12 years. Russia has increased her annual coal production 40 million tons since 1950.

Western European steelmakers, even with Marshall plan aid, have increased annual capacity only 8 million tons since the war. The Russians have added twice that capacity since the war and are building mills to double today's total capacity by 1960. It is estimated that by 1965 Russia will equal or surpass all Western Europe in basic industrial production.

Further, much of this output is coming from new, and therefore, modern, machines; and the evil Communist system, of course, contains its own built-in labor supply. Even aside from slave labor, such as at Dalstroy, general manpower is unlimited—and pitifully cheap. Actually the Russian workman is taught that it is patriotic to be exploited for the motherland.

This, then is the accelerating power for commercial aggression and world upheaval contained in that peasant race now emerging in the industrial age.

It was fear of the dangers and unimaginable horrors of another war, coming from Russia, that aroused and pressed Western Europe toward quarantining this aggressor, its satellites, and its appendages like Red China, by measures both military and economic. Fear is the chief cement which has bound those quarantine efforts together. But as Malenkov holds out the cat-bait of "peace" and fear recedes, the will is weakened, the cement crumbles, the quarantine edifice tends to fall. In fact, the incredible idea seems to take its place: that the way to make communism fail is to help it to succeed.

In the long run, I do not see how the dangers in ignoring the results can be underestimated if Western Europe's employment is to be protected, her standard of living preserved and her very life itself defended against the newly competitive Soviet Union that is to come.

For our part, I assume that everything we do in national policy will be dedicated to combating the fallacious idea that the way to make communism fail is to help it to succeed.

Thank you again for your invitation to be with you today.

Mr. ARENS. May I ask you, first of all, Mr. Taylor, on the basis of your background and experience and observation of the situation pertaining to the world Communist movement, who, in your opinion, has the initiative in the "cold war"?

Mr. TAYLOR. Russia.

Mr. ARENS. Upon what do you base that observation?

Mr. TAYLOR. I think the initiative divides itself into three parts:

First, the military initiative. That they retain because they are aggressors, and the initiative is always with the aggressor in the early part of any conflict.

Next, economic. Certainly they retain the economic initiative by their infiltration and aggression in Europe and the Far East. The tragedy, from my viewpoint, is that the Russians are consolidating their economic strength faster than Western Europe is consolidating its economic strength.

Mr. ARENS. Would you pause to elaborate on that, please, Mr. Taylor. What do you mean by the consolidation of the economic strength of the Soviets?

Mr. TAYLOR. Europe is an area of 18 countries divided by a patch quilt of tariff walls and barriers and quotas. The Soviet Union is approximately the same population block, 200 million people, without any of these obstructions at all. They are consolidated by the tyranny of the Communist movement and by their control over the satellite states, much of which is financial.

Mr. ARENS. Now if you will kindly proceed with your overall statement.

Mr. TAYLOR. The third way they retain the initiative is psychological. They hit on the racket of using conferences as a cheap propaganda tool, and employ this again and again and again.

They work us into an awkward position when it comes up on the calendar to hold another propaganda conference, which they do with the regularity that "Uncle Tom's Cabin" used to show up in certain towns. Then if we don't go to the conference, they make it sound as if we are not interested in peace. Accordingly, after a certain buildup period, in which they accuse America of not being interested in peace unless they attend a propaganda conference, they create enough back pressure so that we finally show up. Then we have it again. We sit there and listen while they speak to the world.

I have spent a great deal of time in the Far East. Speeches that go over our heads as Western people are very impressive in the Far East. I remember going to the U. N. and listening to this bandit from North

Korea come and call our country, in our own borders, all that he did. You remember the little general. That was so preposterous that it sounded plain outrageous and insulting to us, but it was very impressive to oriental ears, because here was a man from Indochina on the home plate of great America, challenging us to do our worst. This, coming from an oriental, is music in oriental ears. Every statement Malenkov makes is dedicated to the Far East.

Mr. ARENS. You have made a study, have you not, Mr. Taylor, and traveled worldwide in the pursuit of that study, of the Russian trade offensive?

Mr. TAYLOR. Yes.

Mr. ARENS. Could you tell the committee in essence, in summary form, those elements in your statement with regard to the degree to which the Russian trade offensive is destroying the world markets for the West?

Mr. TAYLOR. I wrote a piece about that in *This Week* magazine, distributed across the country to about 11 million people. The problem with the Russian trade offensive is not their position today, but the rate at which they are overtaking Western Europe. The figures are very complicated. I can give you a few.

Mr. ARENS. If you would, please, in summary form.

Mr. TAYLOR. All right. Let's take the list of commodities, and so forth, that the Russians offer to the trade missions who come to the Soviet Union today. This is the official list supplied by the Gosplan central statistical board, the Gosplan bureau being the bureau that controls the entire Russian economy. When our British friends and others arrived in Moscow recently, they were given a list, for their guidance, of things that were in good supply now in the Soviet Union. That wasn't a propaganda list, because they were standing there to do business on these items. So, Senator, wouldn't you agree this was not something that they had just pulled out of the air?

That list included, it seems to me, some amazing and very thought-provoking items. For example: oil, iron, manganese ore, gasoline, kerosene, aluminum, large boilers, engines, diesel engines, roller and ball bearings, synthetic rubber, chemicals, dyes, wheat, and tea.

The first day these men were there, British merchants were able to sign a series of 5 contracts to buy three and a quarter million dollars worth of high-grade Russian refined oil, and they were buying 100,000 tons of these products, mainly for resale in the European market. The Russians bought 50,000 tons of refined sugar from another British concern, and that was the largest single sale in more than 20 years.

Interestingly enough, they could have bought that sugar from some of their own satellite states, because, although it isn't commonly known, their satellite states are exporters of sugar. But they didn't. Because of this whole cat-bait idea of peace, they bought it from the British.

Mr. ARENS. What is the significance of that, in your opinion?

Mr. TAYLOR. To crack up the Anglo-American alliance and the economic front, as they are trying to do on the military front, because the main line of Soviet policy, in my small opinion, is to separate Britain and America.

Mr. ARENS. Is there, in your opinion, any distinction or any consequence to be made between strategic and non-strategic material in international trade?

Mr. TAYLOR. In effect, I think it is Tweedledum and Tweedledee.

Senator WELKER. May I have a question, Mr. Chairman?

Senator JENNER. Senator Welker.

Senator WELKER. With respect to the sale of oil that, allegedly, Russia was pinched for, I will ask if it is not a fact that at the time she sold oil to Britain she also sold oil to Finland?

Mr. TAYLOR. Senator, I was in Finland. Sure, she is a ready seller of oil to Finland.

Senator WELKER. Vast quantities, sir?

Mr. TAYLOR. No, because they don't require vast quantities.

Senator WELKER. All they require, or most all they require?

Mr. TAYLOR. Sure. There is the rub in these statistics. I appreciate your comment about that. When folks say, "After all, this doesn't amount to much because they only sold a little," that doesn't prove they couldn't sell a lot if there was a market for it. That is nearly as bad as saying, "After all, they only stole \$100 out of the bank." Well, believe me, if there had been more money in the bank, the burglar would have got it. It isn't his fault that he didn't steal more than \$100. I will bet you that the United States could buy enormous quantities of oil from Russia today if they wanted it.

Mr. ARENS. What is the significance of the Russian gold supply in the manipulations of the Soviets in the world economy?

Mr. TAYLOR. Gold from any country is as good as any other gold. It is very dirty gold because it is mined by Soviet slave labor. Their projects are vast, and they have quit giving out any figures. They used to give their figures to the World Bank. When they made their new gold strikes in the Dalstroy plains area in Siberia, they quit giving any production figures.

Russia is generally regarded as the No. 2 gold producer, after Africa. Today they very possibly are No. 1. Many experts believe that there is substantially more gold in the Russian gold stock today than we have at Fort Knox. We don't have quite as much gold in Fort Knox, you know, as the impression is when compared to the needs of the world. We couldn't go very far financing the needs of the world with \$22 billion.

Senator WELKER. May I ask a question at this point.

Mr. Taylor, with respect to our domestic mining of gold, you realize it to be a fact that many of our gold mines have been forced to shut down because of the high cost of labor and the tremendous expense involved in the operation and prospecting for gold? Is that a fair statement, sir?

Mr. TAYLOR. Senator, I not only realize it, but I consider it an economic tragedy. This is likewise true, as you know better than I, in Alaska. While our gold mines are shutting down, the Russians are all out, with slave labor, producing gold by the mountainload. I think the best information we have is that they are even rotating 120,000 people through their gold fields. When these pitiable millions die, they just replace them.

The thing that is shutting our gold mines down, as you know so well, is our high costs. The Russians don't have that. It is slave labor.

Russia produces enough gold, and she will buy what she wants. Gold is convertible to any currency. In the gold markets of the world, in Zurich, Russia can sell her gold as well as anybody. When they sell it, what do they get for it? Any currency or bank credit on earth, including American dollars.

Mr. ARENS. Then do you consider the Russian gold supply produced by slave labor as a threat to the economy of the West?

Mr. TAYLOR. In the economic area, I think it is their secret weapon.

Mr. ARENS. What, in your opinion, is the production potential of the Russians and of the Soviets to produce or outproduce Europe and perhaps the West?

Mr. TAYLOR. They are away up there now, but they are growing, and that is the problem.

May I digress on this question of gold for one moment. You notice also they don't need to retain any gold reserve for their own currency. I have some figures on that, if I might submit them.

Mr. ARENS. They are in your prepared statement. I wonder if you could just extemporaneously now summarize them, Mr. Taylor, please.

Mr. TAYLOR. I will. Let's start with a few basic factors. This is on the point of the acceleration, Russia is producing now about three-fifths as much steel as all of Western Europe and more than half as much coal and electricity. But again, it is the rate of speed of acceleration.

Great Britain, as the largest coal producer, still has not recovered her prewar coal production. She isn't back up there yet, and the war has been over 9 years. She plans to increase it 20 million tons a year by the end of the next 12 years; 20 million tons increase by the end of the next 12 years in England, the biggest coal producer in Western Europe; whereas the Russians have increased their annual coal production 40 million tons since 1950.

Senator JENNER. Forty million in less than 4 years.

Mr. TAYLOR. This on the statement of the Swiss, Swedish and other engineers who put in the machinery.

One of the fallacies of our day, in my small opinion, is that we don't know anything about Russia. It is the same thing that used to happen to me when I came back from Germany. Again and again during the Nazi buildup, people would say, "What could you see in Germany?" The answer is, of course, you can't see how many airplanes they are making, you don't know how many proximity fuses they have or whether they have it or not, but you can see industry operating in a country.

What did people think they were doing when plants were running day and night, and chrome was disappearing out of the inventory? It certainly wasn't going on bathtubs. It was going into armaments.

Take the steelmakers in Western Europe. I have never seen a breakdown of how much of our Marshall plan aid went into the reconstruction of the steel programs in Europe, but as everybody knows, a vast amount of it did. Yet, with all our Marshall plan aid since the war, the European steel producers have increased their capacity only 8 million tons. The Russians at the same time have added twice that capacity since the war, and they are building today mills to double their today's capacity by 1960. Nothing like that is happening in Western Europe.

It is estimated that by 1965, which is only 11 years from now, Russia will equal or surpass all Western Europe in basic industrial production. It is the speed of this pickup that concerns me.

Mr. ARENS. Mr. Taylor, under date of May 13, the Senator from Indiana, Mr. Jenner, and the Senator from Nevada, Mr. McCarran, introduced in the Senate a resolution, Senate Resolution 247, which would call upon our Government to sever diplomatic relations with the Soviets and to take the initiative in convoking an international conference for the purpose of stemming this tide.

In the basis of your extensive background and experience and years of study of the rising menace of the Communists, what would be your reaction and appraisal of that resolution?

Mr. TAYLOR. That is a very embracing question and a complex one. In principle I would support that resolution, but not as an isolated measure. I think that resolution is of great importance and value, and I would like to see it enacted as a part of a general program by which we seized the initiative. So long as we don't have the initiative in the diplomatic, psychological, military, or economic areas, the Russians will in time win the "cold war" as they are, in my opinion, doing today.

Senator WELKER. May I ask a question?

Senator JENNER. Senator Welker.

Senator WELKER. Mr. Taylor, do you have an observation with respect to the effect that resolution might have upon the freedom-loving peoples of Russia and the satellites, who, from certain testimony we have had here before us, would love to see that, from the psychological standpoint, the fact that we are not going down the road of the Communist dictators who control so many millions of people.

Mr. TAYLOR. Senator, I would believe—and I might be completely wrong about this—that you would have to separate the effect in terms of its effect inside the Soviet Union and in the satellite states. I think they would be different. I think it would be very much more effective in the satellite states—that is a great advantage, a great plus—than within the Soviet Union itself.

Mr. ARENS. Under date of June 18, the Senator from Indiana, Mr. Jenner, the Senator from Nevada, Mr. McCarran, and the Senator from Idaho, Mr. Welker, introduced a bill, S. 3632, which would make it a felony to import into the United States or to ship in interstate commerce any commodity or goods produced by slave labor as a part of this program of quarantining the Soviets. What is your impression or reaction to that proposal?

Mr. TAYLOR. I think it is indispensable.

Mr. ARENS. Indispensable?

Mr. TAYLOR. Yes.

Mr. ARENS. Mr. Taylor, the Senator from Idaho a short time ago introduced a resolution, Senate Resolution 169, which would call upon the President of the United States to proclaim 1 day a month for a period of a year as a day of prayer, on which the people of the United States would pray and ask for divine intercession and guidance in behalf of the millions of people who have been enslaved by the Soviets.

On the basis of your extensive experience, what is your reaction to that proposal?

Mr. TAYLOR. Quite aside from any experience I may have had, purely as an American, I think that it is a source of pride and stimulation

to realize that a distinguished United States Senator would concern himself with the spiritual values. It seems to me this resolution is extremely desirable, very useful, and I would not feel it proper to allow this occasion to pass without attempting to congratulate the Senator.

Senator WELKER. Thank you.

Mr. ARENS. On the basis of your experience, Mr. Taylor, can you express to the committee your view as to whether or not our Nation and its policies can cooperate and negotiate with the Soviets on any sound foundation, or are those in the Kremlin people with whom you can in good faith negotiate and cooperate?

Mr. TAYLOR. Gentlemen, I could answer that question if anybody could tell me how you do business with unreliable people. I don't know how to do business with unreliable people. In my opinion, nobody else does. The word "coexistence" has been kicked around like other words, and has attained something of a nice sound. I believe we are going to exist with the Russians for centuries and centuries. I don't think they are going to evaporate. I don't think Communist control over the Soviet Union is going to disappear.

That doesn't imply either a happy life or a successful life. I think the statement that we are not in an instant of tension but an age of tension is well made. In the meanwhile, in American national policy I assume that, contrary to some of our friends abroad, we are going to do everything we can, so help me, to beat down the fallacious idea that the way to make communism fail is to help it to succeed.

Senator JENNER. In other words, you think the policy that is being followed has been building up and fattening communism rather than destroying it?

Mr. TAYLOR. I wouldn't make that criticism of American policy. I wouldn't make that criticism of the coalition policy with which we proposed to face the Soviet Union. Napoleon once said, "Give me a coalition to fight against." Every coalition is difficult, but to the extent that we think that if you give the Communists enough rope they will hang themselves, in my opinion the more rope they get the more people they will hang.

Mr. ARENS. In our private conversation prior to this session, Mr. Taylor, you alluded to the Russian trade offensive as a siren's song or bait. Would you elaborate on that, please?

Mr. TAYLOR. This is one of the most serious problems facing Dr. Adenauer. I went to Bonn to see Dr. Adenauer. He is a very courageous and honorable man. The Germans have now for the first time in my lifetime honorable and good leadership. I think the open prayer of the free world is that the German race will go in a direction that would be new for them, under leadership so dramatically different from the Kaisers or Hitler.

Dr. Bruening is making a bid for return to political power in Germany. As you may recall, he left Germany in 1932, after he had been Chancellor, and came to Harvard University and taught there in government for 13 years. He is now professor at the University of Cologne, and Dr. Bruening is proposing German neutrality. He says there will be a depression in the United States, and that trade with Russia will be indispensable to the Germans.

Trade means employment. Employment is a pressure that very few political figures can resist and hold their jobs. This is the pressure behind England. It is very difficult for the British to have cotton mills idle in Manchester and turn down textile orders from Russia. That is generally attributed, I think, to an affection by the British Labor Party for the Soviet Union. I think it is much more limited in influence than it is generally regarded. I think it is primarily an employment question, and that cuts across all parties.

Senator WELKER. May I ask a question, Mr. Chairman?

Senator JENNER. Senator Welker.

Senator WELKER. By like token, Mr. Taylor, I hope you will agree with me that it is very difficult for a family-owned mine, the largest domestic producer of antimony in the United States, located at Stibnite, Idaho, in my home State, to be closed down since August of 1951, possessing the world's finest antimony smelter, when at the same time we are importing antimony at a premium price far above that offered to our domestic producers, from Bolivia, the Gold Coast of South Africa, and other areas.

I trust you will agree with me that it is very difficult for these people to stand that, too.

Mr. TAYLOR. As Americans, from my viewpoint it is incredible that they should be called upon to stand it, Senator.

Senator WELKER. I will not go into the lead and zinc and other tragedies that we have debated so many times on the floor, but they are in the same dilemma that the antimony situation is. Our workers have been cut back. Lead and zinc are being imported at prices far in excess of that offered to our domestic producers. It is difficult indeed, it is sad indeed, for the domestic mining industry here.

Mr. TAYLOR. I am not familiar with this subject, but in principle I think that most reasonably minded men would have to agree, if they thought it through, that protection, per se, is not necessarily evil, you know. It seems to me that there are not very many thoughtful people who don't realize the importance of world trade. I get a little tired hearing the importance of world trade talked all the time. I have spent my life in it. This is like telling you or me something about the importance of water. But there are other things that are important, too. One is domestic prosperity.

Obviously you have to strike a balance between those. If you are going to have world trade at the expense of domestic prosperity, then the importance of world trade decreases and the evils of unemployment take its place.

So obviously you have to consider both factors, and each one of these problems, it seems to me, has to be resolved in terms of balance. You can't say that we will trade with the world no matter what happens to our condition here at home.

Senator WELKER. Even though it results in the weakening of our country.

Mr. TAYLOR. If you weaken the country, in the long period you are not going to be in a position to trade with anybody.

Senator WELKER. Right. Some day, I assume you will agree with me, it might be necessary—we hope it will never be necessary—that we may have to go back to the fundamental law of nature, to wit, the law of self-defense, and we need these industries working here.

Mr. TAYLOR. My understanding is that we are in that position today, that we are talking self-defense here, and that we are using world trade as an instrument of self-defense.

But in my opinion it is a very complex instrument, and when the effect of its use is to undermine the productivity of America, then I think that use is wrong.

Senator WELKER. Thank you.

Mr. ARENS. I have no further questions.

Senator JENNER. Any further questions, Senator?

Senator WELKER. No further questions.

Senator JENNER. Mr. Taylor, we want to thank you for your statement, and appreciate your appearing here.

Mr. TAYLOR. I appreciate the invitation.

(Whereupon, at 11 a. m., the subcommittee recessed, subject to call.)

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STRATEGY AND TACTICS OF WORLD COMMUNISM

HEARINGS

BEFORE THE

SUBCOMMITTEE TO INVESTIGATE THE
ADMINISTRATION OF THE INTERNAL SECURITY
ACT AND OTHER INTERNAL SECURITY LAWS

OF THE

COMMITTEE ON THE JUDICIARY

UNITED STATES SENATE

EIGHTY-THIRD CONGRESS

SECOND SESSION

ON

STRATEGY AND TACTICS OF
WORLD COMMUNISM

JULY 15 AND 22, 1954

PART 4

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SUBCOMMITTEE TO INVESTIGATE THE ADMINISTRATION OF THE INTERNAL SECURITY
ACT AND OTHER INTERNAL SECURITY LAWS

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TASK FORCE INVESTIGATING THE STRATEGY AND TACTICS OF WORLD COMMUNISM

WILLIAM E. JENNER, Indiana, *Chairman*

HERMAN WELKER, Idaho	PAT McCARRAN, Nevada
RICHARD ARENS, <i>Special Counsel</i>	

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STRATEGY AND TACTICS OF WORLD COMMUNISM

THURSDAY, JULY 15, 1954

UNITED STATES SENATE,
SUBCOMMITTEE TO INVESTIGATE THE ADMINISTRATION
OF THE INTERNAL SECURITY ACT AND OTHER INTERNAL
SECURITY LAWS, OF THE COMMITTEE ON THE JUDICIARY,
Washington, D. C.

The subcommittee met at 1 p. m., pursuant to call, in room 457, Senate Office Building, Hon. William E. Jenner (chairman) presiding.

Present: Senators Jenner (presiding) and Welker.

Present also: Richard Arens, special counsel; and Frank W. Schroeder and Edward R. Duffy, professional staff members.

Chairman JENNER. The committee will come to order.

Mr. ARENS. The first witness will be Mr. Nicholas T. Goncharoff.

Chairman JENNER. Will you come forward, please? Will you be sworn to testify?

Do you swear the testimony given in this hearing will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. GONCHAROFF. I do.

TESTIMONY OF NICHOLAS T. GONCHAROFF, BROOKLYN, N. Y.

Chairman JENNER. Will you state your full name for the record, please?

Mr. GONCHAROFF. Nicholas T. Goncharoff.

Chairman JENNER. Where do you reside?

Mr. GONCHAROFF. In Brooklyn, 329 Snediker Avenue.

Chairman JENNER. What is your business or profession?

Mr. GONCHAROFF. I am working at the present time—here is a paper—with the international committee of the YMCA's for a special project, to study strategy and tactics of world communism and preparing the Christian attitude to it.

Chairman JENNER. We will put this notice of his employment into our record and make it a part of the record.

(The material referred to follows:)

NATIONAL COUNCIL OF THE YOUNG MEN'S CHRISTIAN ASSOCIATIONS
OF THE UNITED STATES OF AMERICA,
New York, N. Y., July 1, 1954.

To Whom It May Concern:

This is to confirm that Nicholas T. Goncharoff of New York is employed by the National Board of the YMCA's of the United States on a special assignment in connection with the Russian publication program of its international committee, and in particular to undertake research on Communist methods and tactics with a view to presenting the Christian alternative to them in forms that might be

useful to Christian publishing houses not only in the United States but in other parts of the world.

His present appointment is for a period of 6 months ending November 30, 1954.

HERBERT P. LANSDALE, Jr.,
Executive Secretary.

Chairman JENNER. You have filed a prepared statement of testimony. Without objection it will be incorporated into the record and be made a part of the record.

(The statement referred to follows:)

STATEMENT BY NICHOLAS T. GONCHAROFF

My name is Nicholas T. Goncharoff, a resident of Brooklyn, N. Y. I was born in 1921 in Kiev, Southern Russia, now Ukrainian Soviet Socialist Republic. I am only one representative of the millions of Russians who belong to the new generation, raised and educated in the Soviet Union. I lived in the Ukrainian Soviet Socialist Republics about 24 years, went to a Soviet school, and served in the Soviet Red Army. Like most young Russians I never had a chance to see life beyond the borders of the Soviet Union. Occupation of Poland in 1939 and World War II temporarily battered down the Iron Curtain. In 1941, I was mobilized into the Tank Corps and nearly 1 year later was captured by the German Army. Interned, at first, in a prisoner-of-war camp in Ukraine, later I was moved to a forced-labor camp in Germany. Early in 1945 in Bavaria I was liberated by the Third American Army. After regaining freedom I decided to remain in the west, like the thousands of other former Soviet citizens. However, the period from 1945 to 1947 was full of hardship because, according to special agreements, we former prisoners-of-war were subject to forced repatriation. Many were repatriated and perished in jails and camps in the "socialist land." Many fled, went into hiding, changed their names, in order to escape repatriation. I was among those. I made my way to Munich and in November of that year entered the University of Munich and newly organized University of UNRRA also in Munich for refugees. Six years later, in 1952, I completed my study at the Munich University.

In 1946, I made my first contacts with the World Students Christian Movement and being in the refugee camp I met Young Men's Christian Association leaders from the United States of America. Young Men's Christian Association, as we had seen, was primarily concerned about the youth: Their physical well-being, their strength of mind, and above all, their Christian character. I, as many other young people, having a great spiritual hunger for better ideas than communism with its biggest lie in theory and practice, began to organize this kind of program in our camps. In 1948 I was elected as a president of the Young Men's Christian Association for Russians in Western Germany, serving at the same time as a secretary of the Russian Christian Students Movement in Western Germany. I had a chance to represent the Young Men's Christian Association for Russians at international conferences in Switzerland, Denmark, and France. From 1950 to 1952 I was elected to direct Young Men's Christian Association leadership training program in the American and French Zones of Germany.

On Washington's birthday, February 22, 1952, I arrived in the United States. A few days later, the Tolstoy Foundation, Inc. asked me to serve as a director of the Free Russian Youth Club, Inc., in New York City. It is an organization of younger Russian refugees who have escaped the tyranny of the Soviet regime and who are now living in the United States. Its purpose is to help Russian youth learn and participate in the American way of life. I took active part in the activities of the Tolstoy Foundation, remembering the wonderful help given by them to the thousands of refugees to reach the United States, which this organization under the leadership of Countess Alexandra Tolstoy provides. The name of Tolstoy for us remains as a great symbol of freedom, justice, and deep religious personal example.

For 8 months, beginning in August 1953, I traveled across the United States under the auspices of the National Council of Young Men's Christian Associations, undertaking a program of educational visits to the Young Men's Christian Associations groups, different clubs like Kiwanis, Lions, Rotary, Women's Clubs, Army units, union's groups, church groups, high schools, universities, and so forth. The main purpose in this lecture tour through various parts of the coun-

try was to aid groups of youth, especially in understanding present day communism and its challenge to Christian faith and democracy.

In September of 1953, I received a scholarship from the Research Program of U. S. S. R. by the Russian Institute of Columbia University. This program was sponsored by the East European Fund, Inc. I was very happy to take some important courses in political science in the graduate school.

June 1, I took a new assignment on the staff of the International Committee of Young Men's Christian Associations working on the special project: Study of world communism, its tactics and strategy in different countries of the world and creation of Christian literature program to meet the Communist literature program.

I am deeply convinced from my experience and thousands of others, that we can't defeat communism as an idea by being only anti-it, ignoring it, or shooting it. We can only meet this or other negative ideas with a superior idea. This could be only democracy with its vitality and Christianity if we are able to create much more unity between the Christians themselves and especially between their missions abroad.

SOVIET METHODS OF INDOCTRINATION

As one who has experienced the oppression of the enslaved world, I am very glad to share with you the way, methods, and tactics which are used in the process of Marxist education of the youth in U. S. S. R. Youth, at all times and in all countries, is highly idealistic and inclines to revolution. Russian youth is no exception. Communistic leaders everywhere take and use very carefully this kind of idealism and sincerity of the youth in Russia and abroad for their propaganda. One of the main principles in the communistic education is to have a complete control over their way of life "from cradle to grave."

"Complete control" should be understood not in a direct sense. The ways of influence are very different. Tactics could be changed very rapidly, but never the aim. Each new generation in its entirety is subjected to a course of education whose fundamental purpose is in the creation of a "Soviet personality."

To achieve this purpose, the Communist Party of the U. S. S. R. established well-organized control over the millions of Soviet teachers and it possesses an intricate system of numerous specialized institutions. Theoretical problems of Communist education are entrusted to a special branch of the Central Committee of the Communist Party of the Soviet Union. This branch is attached to the Party's Department of Agitation and Propaganda.

The application of the theories is in the hands of the Komsomol. However, the Komsomol influence upon the youth has been steadily declining. Now practically only administration duties have been left to the Komsomol and to the organization of Young Pioneers, attached to it. Theoretical education of the Communistic League of the Youth (Komsomol) is controlled by the party. An intricate system of cross-controls as well as compulsory four-term programs for every subject were introduced. The teacher works under the control of the government, the Komsomol and, of course, the party.

I saw how cunningly the Communist regime had exercised its influence over the credulous minds and hearts of the youth. I felt myself how skillfully and gradually our idealism and sincerity were used as a means for attaining goals completely alien to us. Schools, theaters, press, radio, and other media were implanting in us the illusion of "social greatness". They tried to win us over at an early age, promising us future "Communistic paradise". But promises were followed by warnings that we must be prepared for endless sacrifices and deprivations until we liberate "the proletariat of the world" from "the yoke of universal capitalism." We were told: "So long as we are surrounded by sharks of the capitalist world, the U.S.S.R. cannot develop peacefully; and so long as capitalism exists, there will be deprivations." There is always one thought behind this slogan: To convince the population in the U.S.S.R. and in other countries of the world that the capitalist system is an obvious evil preventing "peaceful" development of the "social paradise in the U.S.S.R."

Communism understood from the very beginning to create a leadership. They have special educators and teachers who know how to use the potentialities of the younger generation. They are very well prepared to give the answers to the problems of the young man and girl.

When I became 6 years of age, I went to the kindergarten for the first time. The introduction which was made by a Communist teacher was:

"Boys and girls, the first day in your life you are a free person. You do not know what you will know later. You are slaves of your surroundings being

with your families, your fathers, and mothers. Your fathers and mothers are good people, but they belong to an old society. The society which was educated under Czarist government and their mood is old fashioned. If you would like to be free, you must be free from your family. You do not have to listen to your parents. We are your educators, we give you the way of life. You share with us everything that your parents tell to you."

Slowly and kindly the idea was put in our hearts, to listen to our educators. There began a process which is very well organized in Communist countries—indirect division of children from parents. But, despite the influence of the kindergarten and later schools, the influence of my family, of the older generation, and of older friends never vanished. Communists take this difficulty for them into account. They are very dissatisfied with the growing of religious belief among the population of the U.S.S.R.

Religion seems to be the strongest power and the greatest danger for communism. From the very beginning, having taken some excursions to several places, our teachers would say, "Children, look at this wonderful nature. You know who takes care of this nature? Our Communist Party; our leaders care a great deal about it. You see the trees; therefore, they exist. Only the things exist which you can see, feel, and touch. Everything else is only the opiate and means of the people. Religion is the opiate of the people because it has tried to keep them sleeping. Don't believe in God. God does not exist. You cannot see him."

I remember the first day in the elementary school. We young boys and girls had a "pleasure" to have a special examination. We came into the class. If you remember childhood, it is a special time, when you enter for the first time into school. The teachers knew this. They said to us, "Now you are entirely free from the slavery and darkness of the old religious traditions. We do not need to pray any more before our lessons start. If you pray at home, you must know that you pray only for nothing. And now we will have a little experiment that will show you that there is no sense to prayer." Then followed immediately the question, "Who prays?" Several hands were raised. Many of us still at home had the opportunity to pronounce our prayers according to the Orthodox religion.

We came to the table. I remember very clearly, this table. We stood in one row, and teacher gave orders. "All right, you have a chance now to pray as you do at home. A 3-minute time is set. You can pray to your God and ask your God that He should give you a box of candy." Some of us were 7 years old, some of us 6. We were moved emotionally; we could not understand this lie. We knelt and began to pray. After exactly 3 minutes the teacher gave us the command to stand up. And he said, "Look, you are fools, you prayed and nothing happened. Where is the box with candy?" The other children sitting in the room began to laugh. We were so confused. In one moment without any objective interpretation, many of us saw that our parents were wrong. Here is the real answer.

We were put in one corner and some of us began to cry. The others who did not pray were called to the table and the teacher announced, "You will have a chance to see a miracle. You have only 2½ minutes—even just 2 minutes to pray—but you can pray to something visible. You can pray to Comrade Stalin and the Communist Party, and you ask them for a box of candy and you will see what will happen."

They began to pray to Stalin and in less than 2 minutes the door opened and another teacher walked in bringing a big box of candy. They began to laugh and clap their hands. No answer was given. Teacher smiled at us. We went to our homes and we explained this story to our parents. I have seen my mother and my father very upset. They were afraid to tell me because I could tell tomorrow what they told to me and I could denounce, without my knowledge, the same parents and probably they would lose their lives.

This situation, which continued through many years, created in us, the younger generation of Russia, a sense of great struggle. We have not seen normal life. If we played sport it was not play for just playing. Large-scale development of sport in the U. S. S. R. has as its aims:

1. To utilize the large-scale development of sport for a perpetual training of the masses of the population for socialistic labor (which is equivalent to shock "Stakhanovite" exhausting labor), as well as for the defense of the U. S. S. R. and to keep them in a constant state of mobilized readiness.

2. To use sport for the purpose of indoctrination of the masses of the population with communistic theories, and thus fortifying world Communist domination.

Sport activities, social gatherings, summer camping programs are completely controlled by the Communist Party organizations.

Living in the Soviet Union we, the young people, saw how gradually we were cut off from our parents and how suspicion, enmity, and hatred toward them were incited in us. I grew under these conditions, like millions of others. I remember the year 1933. Hunger, organized by the Soviet Government and the party, took away millions of people, my mother among them. In the year 1937 there were fearful arrests, trials, deportations. My father, a priest at that time, was also deported. The nation was living in poverty and injustice. To buy something like bread or meat or sugar, it was necessary to stand in line for a long time, sometimes for 3, 5, and 6 hours, but before the great shops we read the slogan: "The life is much happier. The life is much better."

At the age of 17 and later we usually had a chance to see enough to ask ourselves, "Why do we have constant limitations in food, clothing, everything? Why can't we read foreign books, newspapers? * * * Why is it forbidden to go abroad? * * * Whither are we being led? Why do we have hunger, poverty, having a territory which is one-sixth part of the earth? * * * Why lack of freedom? Why arrests? * * * Those little questions—why?—grew in our everyday life to a big why? There was no satisfactory official answer to them. New doubts were born. Suspicion grew. Searchings began. Suspicion gradually turned into dissatisfaction, which in turn brought forth desires to protest. But the presence of the terroristic police system and empty hands made it impossible to protest.

Communists say, "There are no such forts that could not be taken." Communist dictatorship is almost perfect, but only almost. A wish to be free has no borders. Freedom is not something that could be only educated in the family, or in the school, or in the society. Freedom, I believe now (much more after my experience) is an inborn capacity. Therefore, no kind of indoctrination is able to kill this spirit, and the feeling of freedom, especially if you are slaves. Slaves are much more sensitive. They are dreaming constantly of freedom. Here is the greatest hope for the future.

In 35 years the strange Communist dictatorship in Russia cost us nearly 30 million people; more than 10 million have died from hunger—organized hunger, not natural. Now more than 16 million people are in concentration camps, men and women living under the most horrible conditions. I think this is the best sign for everybody in a free world to know that opposition is there in permanence. Too few people know about it because the Soviet Union is closed for usual visits. And if some diplomats or newspaper men can travel across some sections, believe me, they will be controlled enough not to see concentration camps in operation, for example.

The party's endeavors to mass produce the "Soviet personality" continue to meet many obstacles, for thus is innate conflict between party doctrine and party morality on one side and truth and natural human instincts on the other.

Among young people in the age class of 14 to 16, that is, pupils in the fifth to seventh grade of middle school, does Communist education achieve some success. This fact probably has led to the following two measures: Introduction of tuition fees as from the eighth grade, i. e., after attainment of the politically crucial age period, and reduction of the age limit prescribed for membership in the Komsomol. The first measure was introduced before the last war, the second, after its termination in 1949.

Communist education concentrates its efforts especially upon this age of the youth. They never forget that the young people would not only like to listen to some suggestion on the period of their young years, but they would like to listen to certain clear and definite ideas. What should never be forgotten:

Communism tries everywhere to bring not information to everybody, but conviction; it is also able to claim and harness such good qualities as loyalty, zeal, devotion to a cause, willingness to sacrifice, and to use them for its own ends. It promises immediate results for every problem.

Communism is able to attract and hold these young people, sometimes for a long time. Not only that. It appears, particularly for those who have never had to live under communism, as an alluring idea, presenting "clear problems and solutions to the world." Communism constantly changes its strategy, its tactics and morals, but always holds to its final goal—world revolution. It accepts other morals only as they serve the final aim of world communism—conquer the universe.

Communism is strong and effective because of its form of organization; because of its methods of work; because it is restricted by no moral or ethical con-

siderations; because of the way in which it develops its members to become "cadres"; because it uses those leaders to the best possible advantage; because it has a vast fund of loyalty and enthusiasm on which to draw, stimulated and maintained by a pseudo-scientific theory which promises an early victory and because its enemies are divided, while it is inflexibly united.

Communism today in its propaganda in the Soviet Union, and especially abroad, tries to give young men and women a sense of direction, a purpose in life, a cause to fight for, an ideal to sacrifice for and, if needs be, die for. It claims their zeal, their devotion, their loyalty. These are things which belong to religion. Communism originates from unbelief and frustration to which it gives rise. Being international and atheistic, communism uses nationalism and religion in Asia and Africa because it helps them for a certain period of time to achieve its aims. Communist morality has no boundaries:

"Morality is that which serves to destroy the old exploiting society and unite the toilers around the proletariat, which is creating a new Communist society" (Lenin, vol. XVII, pp. 321-322).

And something more:

"Our morality is entirely subordinated to the interest of the class struggle of the proletariat * * * destroying the capitalist class * * *" (Lenin).

Supporting religion at the moment in some parts of the world, communism never forgets that "atheism is a natural and inseparable part of Marxism, of the theory and practice of socialism" (Lenin).

After sending to Siberia more than 100,000 priests and destroying thousands of churches in Russia, Communists opened some churches during the Second World War only because of the pressure from the population. And at the same time Stalin said:

"The party cannot be neutral toward the bearers of religious prejudices, toward the reactionary clergy who poison the minds of the toiling masses. Have we suppressed the reactionary clergy? Yes, we have. The unfortunate thing is that it hasn't been completely liquidated * * *"

Communism is not, first and foremost, a social or political problem. It is a spiritual problem and only if we understand this shall we see why it has spread in this particular age and no other. It certainly uses with the full dynamics for its propaganda—poverty, squalor, social injustice, bad conditions—everything on its way. But they are not the things from which it originates. Social injustice is the thing upon which it feeds, not its originator.

Being in the U. S. S. R. I felt that entire education and indoctrination, besides many secondary aims, had one aim of the greatest importance for them: To create a "new man" only through the power of man alone. Personality and personal initiative are neglected. Collectivism in every aspect of life is the leading force.

The strength of communism lies in the iron discipline of the Communist Party in the world, which rests on the "infallibility" of Communist theory and practice. Their "truth" is not a constant one, but is actually created to meet their intent.

Observing communism and its present methods in the U. S. S. R. we have seen that it is revolutionary Marxism in practice, which is entirely based on the philosophy of Karl Marx. Communists do not intend to achieve their aims by way of gradual reform. We were told that their entire strategy must be directed toward an eventual seizure of power by armed force, remembering that tactics can be changed everywhere very quickly:

"When one enjoys an overwhelming majority of forces, one can succeed by direct frontal attack. When forces are inadequate, detours, waiting periods, zigzags, retreats, and so on and so forth, may be necessary" (Lenin).

The final goal for every Communist remains the same all the time: to work and to live for the revolution. This often becomes almost an end in itself in his mind. He has plenty of revolutionary literature on which to feed. Marx said:

"This revolution is necessary, therefore, not only because the ruling class cannot be overthrown in any other way, but also because the class overthrowing it can only, in revolution, succeed in ridding itself of all the muck of the ages and become fitted to found society anew."

He did not forget that the social problem could be used in this revolution most successfully:

"The war of the poor against the rich will be the bloodiest ever waged * * * combat or death, bloody struggle or extinction. It is thus that the question is inexorably put" (Marx).

And again it is permissible for Cominform, which is the world government of international communism in our days, to change the tactic very rapidly on a big scale using "world movement for peace and the fact that it may develop here and there into a fight for socialism and become a movement for the overthrow of capitalism * * *" (Stalin).

The Communist magazine *New Times* (No. 12, March 18, 1953) published in Moscow in Russian, English, French, German, Spanish, Polish, Czech, Rumanian, and Swedish gives definite advice to the "proletarian of the world":

"The founders of Marxism showed that the working class can perform its historical mission as the gravedigger of capitalism and builder of socialism only by means of a proletarian revolution which would overthrow the rule of the bourgeoisie and establish the dictatorship of proletariat. * * * In Stalin's classic definition, Marxism is 'the science of the revolution of the oppressed and exploited masses, the science of the victory of socialism in all countries, the science of the building of a communistic society.' * * *"

And here is given one of many suggestions how "to build a communistic society in the world":

"A Communist must be prepared to make every sacrifice and, if necessary, even resort to all sort of schemes and stratagems, employ illegitimate methods, conceal the truth, in order to get into the trade unions, stay there, and conduct the revolutionary work within. * * *" (Lenin, *Collected Works*, vol. XVII, p. 142.)

It is time to understand the real nature of world communism and to know that it has one definite goal: Conquest of the world. It is a most serious situation, but what is the use of saying it over and over again. We in the free world need a definite program of action, only on a big scale, to combat the menace of communism. We must take offensive, initiative in our hands. Communism is prepared to take every risk:

"It would not matter a jot if three-quarters of the human race were destroyed; the important thing is that the surviving quarter should be Communist" (Lenin).

How can we believe then in the possible success of any negotiation with the communistic world? How much time will the leaders of the free world need to understand the nature of our enemy? At the present time we are still in spiritual defense.

Knowing communism too well, I, as a newcomer to this free country and as a citizen-to-be, would like to share with every American the real danger we are facing, but how many people are prepared to listen seriously and more than that, to take some definite action—study communism, know all its strategy, its methods, its falsehood, and face this danger with a positive program—dynamic ideology of democracy which must have reborn Christian belief, represented through the personal example. I think we should know other religions and find out the common ethics which can unite us with the rest of a free world. Then it will be a faith which grips men and nations. It gives a philosophy, a passion, and a plan to change the world. And it creates force of people to do it. The future depends on an idea that grips the minds of the millions. This kind of leadership we need right now.

I think that the Senate Resolution 247 (proposed severance of diplomatic relations—it should be said not with Russia but with the Soviet Union) could have success only:

First, if responsible leaders of the United States will openly announce that the American people understand the peoples of Russia, their sufferings and struggle with the strange dictatorship in their own country. And make a clear distinction between the peoples of Russia who become the first victims of the Communists and the leaders of communism.

Second, the peoples behind the Iron Curtain need mostly hope to know that they are not forgotten in their struggle for freedom by the free world. That the free people will not rest without helping those enslaved people in their fight for deliverance. And will not rest, therefore, for their own safety.

Third, if the free world will support the revolutionary movements of liberation, the promised policy of liberation should be consequent. Why not attack communism in its own backyard and with its own weapons? Subversion is 1,000 times more dangerous to Moscow than to Washington. Suspicion and fear should not have a place in our free society but they are cracking the Soviet Empire. If America will ally herself with the enslaved peoples who hate their Communist masters, we can turn the dagger of the world revolution back against the Kremlin.

The framework of revolution already exists

The Communists cannot trust their own army. At least 3 million Red army troops surrendered to the Germans in World War II rather than to fight for communism. The Nazis at the beginning of the war promised they would liberate us, but they brought to us only colonization. Since 1945 thousands have deserted to the West with little or no encouragement from us. The Communist regime has to keep millions of Soviet citizens (my father among them, sent to Siberia in 1937 as a priest of the Russian Orthodox Church) in concentration camps. Most of these people have been accused of trying to overthrow the government. The communistic government employs nearly 2 million security police.

There is an underground network in Russia, and the captive countries of Europe have already risen in open revolt. Endless purges show that distrust and hatred divide the Communists from the people, the Red army from the secret police, the party bureaucrats from the workers. What we need—propaganda on the big scale—clever, concrete, and dynamic. Words of friendship keep alive the hope of freedom, but words alone cannot dissolve a police state. So long as we negotiate with Communist criminals who have enslaved the people of Russia, our allies behind the Iron Curtain will not be certain of our sympathy and support.

Fourth, developing this kind of action it will be logical to withdraw recognition of the Soviet Government. We know that the men in the Kremlin do not rule with the consent of the governed, therefore their form of government is an illegal one.

Determinate and consequent foreign policy of the United States, supported by well-informed public opinion, giving definite hope and program to our secret allies—the peoples of Russia and peoples of other enslaved countries—can create dynamics and power to start the revolution of liberation. If we are prepared to do that, then proposed severance of diplomatic relations with the Soviet Union has a deep sense and vital significance.

We must also encourage defection from Soviet Army forces.

There are some organizations here in America which have the aim to help cement a bond of friendship with the Red Kremlin victims in order to bring about the ultimate overthrow of the Soviet dictatorship by the Russian peoples themselves. I mean those organizations like American Friends of Russian Freedom, Inc., Alliance of Russian Solidarists (NTS), Movement for the Liberation of the Peoples of Russia, Alliance of the Post-World War II Escapees, etc.

I wanted in this statement to give the briefest description about the task force on strategy and tactics of world communism, especially in regard to the youth education and indoctrination. I am very glad to have the opportunity to share with members of the Internal Security Subcommittee some concrete thoughts and plans which, I deeply believe, can help us in united action to combat world communism.

In conclusion, I would like to mention probably the greatest hope for the future liberation from communism—the younger generation of Russia, to which I also belong. I am speaking now about the boys and girls in their twenties. The actual facts of life contradict official slogans. As soon as its critical faculties are awakened, the younger generation is met with disappointments; not many of them who are over 16 years of age continue being eager to join the Komsomol.

In these years we observed in the U. S. S. R. a general indifference to politics. Natural human instinct rebels against Communist education. The antihuman postulates of Communist morality are in constant conflict with human feelings of personal attachments and family tradition. It is in particular the concept of the family as the basic cell of any normal community of human beings which forever struggles with Communist power.

The last war brought an end to the U. S. S. R.'s years of isolation from the rest of the world, or seemed to. Entirely new spiritual horizons were opened to Soviet youth. But with frustration where peace was concerned, came their hopes for liberal change. The official Soviet press itself admits that the "opposition of the growing generation to the government system is on the increase." It further stated:

"In recent years many representatives of our Komsomol movement become indifferent to our program and activities. They do not have dynamics and wish to be communistic leaders of highest type. Many of them even believe in God. * * * The apathy, indifference is growing. * * *"

The answer is very clear. Many of us saw the outside world. We have seen how deeply we were deceived, again and again. Those of us who had a chance to escape from Soviet slavery, like myself, feel that we have a certain definite

mission in our life—to fight for the freedom of the peoples of Russia and that means to fight for our own freedom here in this free country, where many people take too much for granted.

I would be sincerely glad to be of any assistance to every sincere American, or groups of people in my new country to help them through lectures, discussions, seminars (what I did before for 1 year) or by other means to know in detail the strategy, tactics, nature of godless communism in order to combat it in a positive way. I believe in the spiritual richness of democracy and I believe in the power of the individual. I think that upon him should rest the greatest possible amount of responsibilities. In our age we are facing the fight for the mind of a man, especially young men—the younger generation.

The younger generation behind the Iron Curtain is searching for truth, liberty and freedom. Very often, being disappointed by the entire communistic philosophy of life and brutal realities, they need a sense of direction, a purpose in life, a cause to fight for. They are accustomed to having a definite aim for their life.

And very little is done for them, thus losing this splendid opportunity to fulfill the great vacuum which was created in their minds and hearts. The Voice of America and the Radio Station of Liberation have a good program for the people behind the Iron Curtain, presenting to them the truth about the free world. But both radio stations have no program designed for the youth. And here we have such a rare opportunity to win the people who are going to decide the future of their countries and of the world.

We must have this kind of program for the youth, giving them encouragement, hope, new ideas, new dynamics.

I believe that we can still win this ideological global battle for the minds of the people. Democracy has every richness, spiritual and material. It has wonderful leaders, tradition, experience. Only there is not enough unity of purpose. And this is what we need indeed.

Mr. ARENS. In view of the fact your prepared statement is in the record, we will proceed now with an extemporaneous summary by you of the various points. I should like to ask you first of all to give just a thumbnail sketch of your own personal background, where you were born, and how you happened to come to this country—a word of your personal history.

Mr. GONCHAROFF. Thank you. I was born in 1921 in Kiev, capital of the Ukraine, now one of the 16 Soviet Socialist Republics. I spent nearly 24 years in the Soviet Union being educated there in elementary and secondary schools and attending 3 years at Odessa University.

By the start of the Second World War, I was mobilized in the Red army and served as a lieutenant in the tank corps. During the War I was early captured by the Nazis and put in a POW camp. Later, I was transferred from the Ukraine to Bavaria in Germany. In 1945 we were liberated by the American Third Army, General Patton.

After liberation it was announced that former Soviet citizens would have a chance to go home but I refused repatriation for these reasons. First, we realized that we had been deeply deceived by the entire Soviet propaganda and indoctrination. Usually, up to 16 years of age, the whole indoctrination seemed very alluring and convincing. But when we finished schooling and had to face the realities of Soviet life, these realities were far removed from the earlier promises made us. I found myself constantly struggling with my conscience and began to question the earlier ideological training and material promises.

For example, I found myself 1 day before a shopwindow where signs as everywhere, proclaimed: "Soviet life has become easier and happier," yet outside the shop, long lines of people waited, sometimes for many hours, to get a loaf of bread or bottle of milk.

I began to think, why is it that when Russia has one-sixth of the world's territory and sufficient natural resources to support twice her population, we have such continuous poverty?

All this was quite opposite to those promises made us by the Communists in 1917 in simple slogans: "All land—to the peasants", "Factories, management and profits—to the workers", "Liberty, brotherhood, social justice for all", "Peaceful little homes, war against the palaces."

At that time, no one dreamed what the later realities would be, just as today, the peoples of Asia and Africa follow the same Communist slogans and propaganda, blindly believing they will lead to the solution of their problems.

This same inconsistency became evident in much that I saw around me, not only in physical conditions but also in the spiritual field. Gradually these constant psychological and political pressures created in us a continual sense of inner conflict until only one wish remained: to be free.

That many felt as I did was proved by the fact that later when the Germans attacked the U. S. S. R. in 1941, promising our peoples liberation from communism, over 3 millions of them voluntarily surrendered to them.

I mentioned pressures in the spiritual field. These were complex and created a spiritual hunger coming from a kind of inner vacuum created by the absence of anything to satisfy a searching mind which, in my case, was influenced by the religious education I received in my childhood from my father who was a priest.

Mr. ARENS. On the basis of your background and experience as one who has lived in the Soviet Union and who has escaped from the Soviet tyranny, do you have any way you can characterize, for this committee, any distinction to be made between the people and the leaders of the Soviet Union?

Mr. GONCHAROFF. Mr. Arens, I am sincerely glad that you asked me this question. I make a very definite distinction between the Russian peoples and their present Soviet Government.

First, the experience of the last 36 years under Soviet communism has shown the people clearly that everything promised in the beginning by the Communist leaders was nothing but deceitful lies. What they really got in no way really represented the true aspirations of the Russian peoples—for like Americans, they love liberty, freedom, and justice. They soon found they were simply victims of an imported philosophy, completely foreign to their natural instincts.

Marxism and Marxist philosophy and tactics were introduced into Russia by leaders trained abroad and sent into Russia by the German High Command under General Ludendorf in World War I in order to stimulate revolution in Russia and thus weaken the Russian Empire and its Western allies, Great Britain and France. It is not a creation of Russian philosophy and thinking.

Some responsible leaders in Great Britain knew of this plot against Russia, then an ally in World War I, but made no efforts to stop it following the traditional British policy of "Divide and Conquer" which from their point of view may have been justified but proved short sighted and at the present time, is proving disastrous.

Since 1917, the world has learned that Russia was used as the first big laboratory to test out communism as an experiment in tactics of world conquest.

In the past 36 years, millions of the Russian people have been liquidated both as individuals and as whole classes, and this mass

slaughter is not considered a crime under Communistic philosophy which, as expressed by Lenin, states:

It would not matter a jot if three quarters of the human race were destroyed; the important thing is that the surviving quarter should be Communist.

Mr. ARENS. Mr. Goncharoff, you are currently and have been in the recent past in intimate contact with the anti-Communist underground behind the Iron Curtain; is that correct?

Mr. GONCHAROFF. That is correct.

Mr. ARENS. On the basis of your background and experience as one who has lived for many years under the Soviet regime and as one who has escaped from the Soviet regime, as one who is currently in contact with the underground behind the Iron Curtain, what would be your appraisal of a course of action to be taken by the Government of the United States to sever diplomatic relations with the Government of the Soviet Union and the Governments of the satellite states?

Mr. GONCHAROFF. Please excuse me from making a definite statement on this question. This is a public hearing and I hesitate to express my views fully on the subject, at this time.

Senator WELKER. May I interrupt?

Chairman JENNER. Senator Welker.

Senator WELKER. May I ask you, Is it your opinion, based on your experience, your living there in Russia with the people behind the Iron Curtain, that the ordinary person, the peasant, the worker, actually wants freedom as could be given to them by the Western World?

Mr. GONCHAROFF. Yes, Senator and this is based on their disillusionment. A year ago in traveling across the United States of America under the auspices of the National Council of YMCA's especially in Ohio, Indiana, Minnesota, and Iowa; I was impressed by the similarity of your American farmers and our Russian peasants in their love of the land and their closeness to it. Both want to own their own land and farm it as private individuals.

In the U. S. S. R., 20 years of collective farming has not stifled the Russian peasant's craving for his own piece of land promised him in 1917. But since 1928, even the little land he owned was taken from him under the Soviet collectivization program.

As for the workers who are today completely State-controlled despite that earlier promise that "The factories, management, and profit—to the workers," they are completely disillusioned for even their unions, which unions in America safeguard the worker's welfare, in the Soviet Union, are practically an indirect Department of the Communist Party whose main task is to indoctrinate the workers in Marxist philosophy and not in any sense, to protect their rights as workers.

Senator WELKER. Since I have been working with Senator Jenner and this committee, I have been distressed at times to hear witnesses refer in an antagonistic way to Russia. I hope you will agree with the chairman and with the whole committee that we are not antagonistic to Russia but we are against the Soviet regime, the Communists who are oppressing the Russian peoples as you have related. Would it not be wise for us to watch our language more and our use of words, so that we can let the Russian people know that we distinguish between them and their hated Soviet regime?

Mr. GONCHAROFF. What you are saying is of the greatest importance for the attitude of the free world and especially that of America to-

ward the peoples of Russia as distinguished from their present Soviet rulers, may well determine the outcome of World War III should that come. Let me explain my reasons for this statement.

In World War II, when the Nazi armies invaded the U. S. S. R. with promises at first of liberation from communism, over 3 million of our soldiers, mostly young men brought up under Communist indoctrination, believing the Nazis came as liberators, voluntarily surrendered to them while millions more of our civilian population greeted the Germans as friends and liberators, offering them bread and salt in our traditional Russian way of showing very warm hospitality.

But Hitler's stupid diplomacy and master race ideas plus the failure to use this psychological ripeness of the peoples for liberation from Communist oppression, played into the hands of Soviets. When these invading armies began to treat the friendly population as *unter mensch* whose country they proposed to colonize, the deep patriotic instinct of all Russian people for their motherland rose up in protest and was very cleverly supported in every way by new tactics on the part of their Soviet rulers. These now began to recall from the past, many ideas which they had scoffed at so constantly—as capitalistic and bourgeois—religion, nationalism, old Army traditions, et cetera. Former heroes of the czarist regime overnight became heroes again and the word "Russia" which since 1924 by decree had become the U. S. S. R., was revived to deepen the patriotic feelings of the people to fight in this "holy war against invaders and colonization."

In our present cold war and even more in World War III should it come, the attitude of the Russian peoples may well become the decisive factor in victory. If convinced of the sincere friendship and understanding of the free world, millions may come over to fight with us, as allies against a common enemy and hence save many thousands of American lives.

The important thing right now is to counteract all the violent anti-American propaganda being carried on within the Soviet Union, and by every means possible, get over to the Russian peoples, the ideas you mentioned to convince them now that they will be treated as friends and allies when the time comes.

But propaganda must be geared to the people you want to influence, particularly the younger generation in the U. S. S. R. who will decide the future. These I feel you have failed to reach so far, despite the fact that there are plenty of former Soviet citizens now in this country who could give you effective help in this.

Chairman JENNER. Can you think of any way that would be better to tell the Russian people what our Government's feeling is toward the Soviet Union than to sever diplomatic relations with those directing the Soviet Union's government?

Mr. GONCHAROFF. Mr. Chairman, I believe severance of diplomatic relations with the U. S. S. R. would have great effect among the peoples of Russia if such action on the part of the United States of America were accompanied both before the act and afterward by wise and consistent propaganda and a carefully planned policy program.

Today the American press, radio and TV all powerful here; yet often, unwittingly, play into the hands of the Soviet by using wrong terminology—often confusing Russia with the Soviet regime in a way to be capitalized effectively by the Soviet press. For example,

Soviet delegates to the U. N. are often referred to as Russian delegates, implying they represent the Russian peoples; or, referring to world Communist conquest, they state Russian imperialism, which is immediately quoted by the Soviet press to persuade the peoples of Russia that the Western World is fighting, not against Communist conquest, but against them.

Such factors on top of their experience with the Nazi invaders plus their later experience with the forced repatriation agreements of Yalta have understandingly made the Russian people highly distrustful of the Western World's intentions.

Unless American reasons for severing diplomatic relations with the U. S. S. R. are made clear to the Russian peoples in advance, Soviet propaganda will skillfully turn that act to its own advantage by representing it as further evidence of American imperialism presaging imminent hostilities requiring new sacrifices from the people.

If the United States of America does sever relations with the U. S. S. R., this act alone, unaccompanied by previous preparation of the Russian peoples for it and not followed by a carefully designed program of subsequent action, can be more harmful than helpful.

To carry out an effective program of action to win the confidence of the peoples behind the Iron Curtain, America and the free world should be ready at all times to encourage any liberation efforts of enslaved peoples. In my opinion, they lost a great opportunity when, at the time of the east German uprisings last year, they took a passive course and, instead of giving wholehearted support to this first real revolt of Soviet dominated peoples, put food parcels in their empty hands instead of the means for their liberation.

This lack of support lost many potential Soviet defectors from the Soviet occupation forces, many of whom had bravely refused to fire on the German demonstrators, thus indicating their sympathy with the revolt—revolt which is the greatest Soviet nightmare.

The Soviet is well aware of the mood of its armed forces and hesitates to take any step leading to outright warfare involving the Soviet Army. So far, they have been highly successful in the strategy of letting others fight for them.

Mr. ARENS. You mean they are getting what they want without war?

Mr. GONCHAROFF. This is obvious when we realize that in only 9 years—from 1945 to 1954—more than 600 million people and 5 million square miles of territory have been captured by them without the Red army firing a shot.

Communist actions are carefully planned and coordinated for years ahead and much of their success is due to the psychological cleverness of their many planning boards, all working under one overall coordinating agency, the World Communist Government, better known as the Cominform which was established in March 1919.

Communists are complete opportunists in their methods—although atheistic themselves, they play up religion when to their advantage; although complete internationalists themselves, they play upon extremes of nationalistic feelings to gain their ends; everywhere, they thrive on conditions of poverty by promising tempting social programs always relevant to the special existing local conditions, whether in Africa, Asia, or South America. Their watchful patience borders on fanaticism for their planning is long-ranged with variable time-

tables but has one sole objective—the ultimate Communist conquest of the entire world.

Mr. ARENS. Mr. Goncharoff, the Senator who was addressing you a moment ago, the Senator from Idaho, Mr. Welker, introduced in the Senate some time ago a resolution which would request the President of the United States to designate periodic days for prayer by the people of the United States on behalf of the people behind the Iron Curtain. I ask you, aside from personal religious convictions which we all have on a matter of that kind, what would be the psychological reaction of the people behind the Iron Curtain if that course of action should come to pass?

Mr. GONCHAROFF. I know this resolution. I am, myself, a Christian, not by formal religious training but through the influence of my family.

The power of prayer, particularly if sincere, and especially through a nationwide effort, I think, could be very effective. The people of Russia are still a deeply religious people. It is difficult to believe that in 35 years, this belief could vanish.

If you allow me half a minute to say to you that the most barbaric propaganda in the Soviet Union was against religion. Now they use religion because they were not able to combat it to the last extent. They realized there is some force which could not be taken over. In 1935, the Minister of Education used to say:

We hate Christianity and Christians. Even the best of them must be considered our worst enemies. They preach love of one's neighbor and mercy which is contrary to our principles. Christian love is an obstacle to the development of the revolution. Down with love of our neighbor. What we want is hatred. We must know how to hate. Only thus will we conquer the universe.

This resolution could be the first effective step in a spiritual offensive against communism.

Mr. ARENS. That is the prayer resolution?

Mr. GONCHAROFF. Yes.

Mr. ARENS. On the basis of your background and experience, could you tell this committee what the reaction is of the average person behind the Iron Curtain when he sees the diplomats in the Kremlin portrayed in diplomatic session with the diplomats of the West in the various conferences and affairs in which they engage?

Mr. GONCHAROFF. Mr. Arens, excuse me if I say that we very often—I am speaking about those who already understand the whole menace of communism—we cannot understand how it is possible that the free world, in the last 35 years, having all possible sources and information, having many Soviet emigrants and escapees telling the truth about the Soviet, cannot understand the real nature of world communism which is moving to conquer the rest of the world and those free countries which maintain relationships with the Communists.

Yet in 1944 and 1945 they made agreements with Stalin. I think those leaders of the Western World should know exactly with whom they are dealing. Communists make no secret of their final goals. Lenin said openly—

The way to Paris is not the Way through Berlin but through Peiping.

They know another statement of his which said—

At first we will take Eastern Europe, then the masses of Asia. Later we will encircle the United States which will be the last bastion of capitalism. We will not need to attack it, it will fall like an overripe fruit into our hands.

This is exactly what they have done and are doing.

Allow me to make another statement which is important. The basic difference between diplomacy of the free world and diplomacy of communism is that the diplomacy of the free world maintains relationships with other countries, establishing trade relationships and neighbor relationships. The diplomacy of the Soviet Union is only a part of the whole setup of the Cominform which is the world government of communism. In this whole process, Soviet diplomacy through its representatives, cultural attachés, military attachés, trade representatives, serve not for maintaining those relationships; but serve the Cominform in a whole network of subversive activities.

Western diplomats are well informed about the true nature of Communist diplomats and diplomacy, and the Western World should surround them with the same restrictions imposed on foreign diplomats in Moscow.

The Russian peoples know well that the Soviet diplomats do not in any way represent them but only the Communist Party of the U. S. S. R. They hope the free world will come to understand that they cannot and do not speak for the peoples of Russia who are still in enforced silence.

Mr. ARENS. How many slave laborers are there behind the Iron Curtain? May I see the statement you just read about the way to Paris?

Mr. GONCHAROFF. I have it here.

Mr. ARENS. How many slave laborers are there behind the Iron Curtain?

Mr. GONCHAROFF. Nobody can say the exact number. According to the official Soviet statistics which list those camps as labor camps, we know the number varies between 14 million and 16 million people, possibly more. We know that these millions represent a force of opposition to the Soviet regime, but a force which cannot speak their wishes.

Mr. ARENS. What would you think of a course of action suggested in a bill which was introduced by the Senator from Indiana, Mr. Jenner; the Senator from Nevada, Mr. McCarran; and the Senator from Idaho, Mr. Welker, which would preclude shipment into the United States of any goods or commodities produced by slave labor?

Mr. GONCHAROFF. I think this is not only a deep humanitarian act, but this is again one next step which will give help and hope to the Russian people.

Mr. ARENS. You think it would be well received by the Russian people themselves?

Mr. GONCHAROFF. Without any doubt. Why? The free world, particularly the businessmen of Great Britain more or less agree not to send strategic goods to the Soviet Union, but they don't realize a very simple fact that by sending nonstrategic goods they release Soviet labor to make strategic goods. For example, it is necessary for the Soviets to have a certain number of tons of butter. If they can get this butter from Great Britain and not have to produce it themselves, then they liberate a certain number of workers, who produce butter, for the defense industries which produce strategic goods. So, indirectly, such kinds of trade help them to build up strategic offensives.

Senator WELKER. May I have a question?

Chairman JENNER. Senator Welker.

Senator WELKER. Is it not a fact that if we permitted slave labor goods to be imported into this country, it would deprive the people of Russia of the things that they need and so there would be nothing left for them when they ship it all overseas. Is that a correct assumption?

Mr. GONCHAROFF. Possibly.

Mr. ARENS. How many security police are in Russia at the present time on the basis of your contact with the underground?

Mr. GONCHAROFF. About 2 million people. There was a big shake-up after Beria's death. The long existing myth about an all powerful MVD was shaken. During the interfighting which followed Beria's liquidation, the people came to realize that the man who personified total MVD brutality was easily removed by his own men and that Malenkov's order to remove Beria was not due to Beria's viciousness or any humanitarian motive of Malenkov's but purely a play on his part for supreme power and control.

In this connection, I believe we should not give too much importance to the testimony of recent MVD defectors, especially those who defected after Beria's death, but should place more confidence in the less sensational testimony of the many simple soldiers and officers who escaped to the West, not to save their own necks but for ideological reasons, for they better represent the true feelings and wishes of the masses of the peoples of Russia.

I would like to make one last point in connection with security police and subversive activities in this country. Keep in mind that here in America, as in every other country, communism has created a system of double leadership for their activities. It will be a big mistake to believe that the American Communist Party and particularly, those who carry party membership cards, are the only, or greatest danger. These can be fairly easily identified, and their main function is fighting openly for communism through more or less legal channels. Many of these are naive, idealistic but often frustrated personalities and do not always represent the most dangerous and extreme Communist elements.

This other element is a hidden, anonymous group, carefully screened and selected directly by the security department of the Cominform and responsible only to it. They are not officially members of any Communist Party and are not known to any but Cominform officials. These are the most dangerous agents of subversion, operating in complete secrecy and assigned to prepare for the final overthrow of the existing Government.

Chairman JENNER. If there are no further questions, we want to thank you for appearing here before this committee. At the beginning of your statement, I did not quite understand. You were born, of course, in Russia?

Mr. GONCHAROFF. Yes, in Kiev.

Chairman JENNER. You lived there how long?

Mr. GONCHAROFF. About 8 years in Kiev.

Chairman JENNER. And in Russia?

Mr. GONCHAROFF. About 24 years.

Chairman JENNER. You lived in Kiev 8 years?

Mr. GONCHAROFF. Yes.

Chairman JENNER. Then where did you live?

Mr. GONCHAROFF. In Pavlograd, Odessa, Rostov—the southern regions of the U. S. S. R. and the Ukraine.

Chairman JENNER. You came as an escapee to what country?

Mr. GONCHAROFF. I was liberated by American forces in 1945 in Germany, being a prisoner of war; then remained in West Germany, studied there in Munich University, and 2 years ago I came as a displaced person to this country under the sponsorship of the Tolstoy Foundation.

Chairman JENNER. Thank you very much for appearing. We appreciate your testimony.

Mr. ARENS. The next witness is Mr. W. H. Smyth.

Chairman JENNER. Will you be sworn to testify.

Do you swear the testimony given in this hearing will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. SMYTH. I do.

TESTIMONY OF W. H. SMYTH, NEW YORK CITY

Chairman JENNER. Will you give us your full name?

Mr. SMYTH. William Harris Smyth.

Chairman JENNER. Where do you reside?

Mr. SMYTH. 44 West 44th Street, New York City.

Chairman JENNER. What is your business or profession?

Mr. SMYTH. I am president of the Threadmiller Corp., a small company making lathe tools. I am also interested in general business brokerage.

Chairman JENNER. Do you have a prepared statement that you have submitted to this committee?

Mr. SMYTH. Yes, sir.

Chairman JENNER. It will go into the record and become a part of the record.

(The statement referred to follows:)

STATEMENT BY W. H. SMYTH

Mr. Chairman and gentlemen, Senate Resolution 247, calling for our severance of diplomatic relations with the alleged Government of Soviet Russia and the alleged governments of countries which have been enslaved by Soviet Russia, and for the convocation of an international conference of the free nations of the world for the purpose of agreeing upon a united action to destroy the Communist fifth column and to resist further aggression by international communism, vitally concerns all Americans, hence, merits discussion.

In my opinion, we Americans too often attribute knowledge to titles and names, consequently often mistakenly and to our sorrow accept as intelligent and authoritative the statements of persons with titles or names without asking whether the owner of the title or name has the background and experience in the matter under discussion to justify his opinion being considered at all. In my opinion, people are entitled to know the background and experience of anyone making a public statement. Therefore, the following is given in the hope it will justify you for having honored me with your invitation to appear before you.

I was born of American Methodist missionary parents in Foochow, China, May 23, 1890; came to America with my parents in 1899; attended high school in Berkeley, Calif.; was graduated as a civil engineer from the University of California, in 1912; and worked 5 years as an engineer in San Francisco prior to my entering the United States Army in May 1917. I served as a field artillery captain in France and Germany in World War I, and for 4 months previous to my demobilization in September 1919, traveled Eastern and Central Europe as an Army courier with station at Vienna. During that courier duty, just after

the Bela Kun Communist regime was overthrown in Hungary, a trip to Budapest gave me my first chance, 35 years ago, to see the frightful results of even a short 133-day Communist rule in a country.

After demobilization I went to Turkey for an American company and from January 1920, until the Bolshevik conquest of the three small republics of Azerbajdjan, Armenia and Georgia, formed after World War I, forced us to leave in March 1921, I was manager for its work in the Caucasus and North Persia. Direct negotiations with the Soviet Commercial Mission in Tiflis, my experiences in connection with the evacuations of Novorossisk, Petrovsk, Baku, Tiflis and Batoum, and reports from the many refugees who arrived from Russia continued my education in what may be expected from dealings with Communists.

A 4-week visit to Belgrade in August 1920, to report on possibilities in Yugoslavia, gave me my first real idea of the rich natural resources of that country and of the worth of its hard-working, God-fearing peasant population. Yugoslavia was then, as our country is today, on the Soviet blueprint for conquest.

En route home in April 1921, I revisited Belgrade, founded my own company—"W. H. Smyth"—and for the following 20 years, until obliged to leave by the German occupation and the closing of our consulate in July 1941, operated my offices in Belgrade and Zagreb, importing and distributing American motorcars, trucks, tractors, tires, oil, machinery, and selling aviation engines and equipment and oilfield supplies as an agent to the Government.

The wide contacts with people in all walks of life resulting from handling so many lines, constant traveling through most of the country, the acquisition of a good knowledge of Serbo-Croatian, and my memberships in social, technical, trade and athletic clubs and associations, gave me over 20 years, an experience with Yugoslavs and Yugoslavia possessed probably by no other American. Tito's Government must have believed that, for through their letter No. 7491 of July 30, 1948 (photostat and translation attached) from the Committee on Water Husbandry of the Peoples Government of Serbia, they requested my cooperation on their purchase of heavy equipment and dredges required according to their initial 5-year plan, and a statement from me of the terms on which I would work with them. Much as I regret the money which could have been earned I did not accept their offer.

When our American consulate was closed in Belgrade in July 1941, I turned my business over to an employee and left with my wife. We were 6 months in Hungary, left for Lisbon with the personnel of the United States Foreign Service in Budapest, and reached New York City, March 1, 1942. During 1942 and 1943, I devoted considerable time to making reports on Danube Valley and Balkan countries for our armed services, at my expense.

Since arriving here, outside of the time given to the Threadmiller Corp., a very small maker of first-class tools for threading and tapping on lathes, of which company I am president, most of my time has been spent in trying to keep the closest possible contact with Yugoslavs and other refugees here and in other countries, which has enabled me to follow the development of Tito's Communist dictatorship in particular and of international or world communism in general.

In this connection, a few months ago, photostats came of 2 pages from a Yugoslav Communist Party textbook, pages 193-194, entitled "Extract From Political Courses for Candidates for the Communist Party of Yugoslavia" (photostat and translation attached). Their context, of which paragraphs 1 and 2 from page 194 are quoted below as an example, should convince anyone that Tito's Communists are simply plain international Communists, and that it is simply ridiculous for an intelligent person to think or speak of them as "National" or "nicer" Communists, ones we can get on with:

"Revolution is the action of forceful overthrow of capitalistic society and the building of a new society on the basis of the dictatorship of the proletariat.

"Not a single isolated revolution, as in the U. S. S. R. and in Yugoslavia, is ended until revolution will have been terminated successfully in the whole world, because danger from foreign intervention always threatens. Therefore it is a fundamental task of all Communists to assist revolutionary forces in the world."

This fear of foreign intervention seems to me to be a fear that foreigners, freemen from outside the enslaved states, will come in contact with the ordinary people, the slaves of the Communist states. This was shown by the Soviet's refusal for a long time to allow our planes in World War II to land in Russia, and for our pilots to fly into Russia the planes we were giving them. It was brought out by Tito's agreement with the German Nazis for joint collaboration in resisting Allied landings on the Yugoslav coast, should such landings be attempted. Tito's present Ambassador in London, Velebit, who was one of his

liaison officers with the German and Croatian Nazis in Zagreb, the capital of the Independent State of Croatia, is reported to have taken part in these negotiations regarding joint Tito-Nazi resistance to Anglo-American forces.

The Communists reasoned correctly that Germany would lose the war. Therefore, and also because of the Yugoslavs' feelings against the Nazis, Tito's people felt that Germans operating with their men would be only transients who could cause him no trouble. On the contrary, they knew that Anglo-American troops landing in Yugoslavia would be welcomed by the people—not by the Communists, but by the people—and their presence in large enough numbers would mean the end of communism in Yugoslavia.

Tito, like his Moscow mentors, only sends abroad persons who have been checked and doublechecked by his UDBA or secret police. The test of this is the very small number who request asylum to remain here. Yet we allow these people to visit our defense plants, to learn to operate our special equipment such as jet planes, tanks, armored cars, etc., and allow his students, prepared in propaganda during their Yugoslav processing, to attend our universities. They have facilities to see more than they should and to talk in meetings in our schools. Does that make sense from the point of view of internal security?

Regarding the fundamental task of all Communists to assist revolutionary forces in the world, it is worth while noting how Yugoslavia sends missions to places like Burma, India, Mexico, and other countries with which it has had little if any trade, and even sent her chief of the general staff to Addis Ababa to confer high Yugoslav medals on the Emperor of Ethiopia and several high assistants. Could it be that the medals were given to create good will in connection with facilitating the work of Soviet Russia's mission of well over 200 persons in Addis Ababa, apparently a distribution point for northeast Africa for Communist propaganda and plans? The Emperor's visit to Belgrade this next month will offer Tito the chance to turn on his charm, but let us hope with less effect than it seemed to have on prominent American visitors to Yugoslavia.

The work of such Yugoslav Communist missions, like the work of Tito's Gen. Ljubomir Ilich, who for the past few years seems to have been a general organizer or supervisor of work among the Communist groups in the Yugoslav colonies in Latin America, with headquarters in Mexico, might seem to be covered by paragraph 5, page 194 of the Instructions for Candidates for the Communist Party of Yugoslavia, mentioned above, which reads, translated:

"All national, especially colonial questions must be inflamed, because they basically are revolutionary, hence help the process of the world revolution."

Incidentally, these two photostats were sent to me by a Serbian friend just after the Puerto Rican shootings in our House of Representatives in Washington, D. C., with the remark that paragraph 5 applied perfectly to the Puerto Rican situation. Who knows? General Ilich may have connections there. And when he wishes to visit the United States he has a perfect excuse in the form of his wife, Mme. Zdenka Milanov, the well-known artist of the Metropolitan Opera in New York City.

Why did Yugoslavia keep Mr. Rafo Ivancevic, an experienced maritime and naval liaison officer in San Francisco as consul general for 3 years? His area included our entire Pacific coast with its important shipyards and naval installations. For a country with almost no navy and a relatively small merchant marine, it would seem strange to use a man of Mr. Ivancevic's qualifications in San Francisco unless—and here is the big question—it was considered a seafaring man like Ivancevic could propagandize better among our Yugoslav groups on the Pacific coast than a regular consular officer; and unless it was considered important to have first-class reports on our naval installations—just in case same day the big Communist attack will come against us.

Gentlemen, this matter of Tito and his Communists seems important enough to warrant some real thought and study. In an attempt to help you, I would like to lay before you the following information and observations based on a lot of work.

One of the most debated questions of our foreign policy is whether or not we should aid Tito and his regime. I cannot understand how the United States, the leading Christian nation in the world, can back a Communist. Nor can I understand how any American, a citizen of a free country, is willing that we assist a Communist dictator to hold 17 million human beings in slavery, an institution we abolished 90 years ago as evil and wrong in human relations.

It appears that the Americans who wish to aid Tito must in some way overlook that basic matter of right and wrong, possibly having been led to believe

by Tito's expulsion from the Soviet bloc—the Cominform—in June 1948, that he was against communism. Had they taken the trouble they easily could have confirmed that the Yugoslav Communists are in no way lesser Communists than those of the Soviet bloc. On the contrary, they scream their supercommunism.

Tito's communism is not national but international like that of all Communists. Judge him by his acts, not his words. This unfortunate usage of the term "national" in referring to Yugoslav communism has been a big factor in misleading and confusing the thinking of the Western peoples about Tito and his slave-state.

TITO—CREATION OF SOVIETS, INSTALLED IN POWER BY SOVIETS

First of all, Tito was a creation of the Soviets. Malenkov, present chief in Moscow, nominated him to be secretary general of the Yugoslav Communist Party in 1937.

The party, whose activity had been banned by the Royal Yugoslav Government in 1921, had continued as an underground organization. Its leaders, working abroad in large part, were ordinary Soviet agents. In 1940, when Allied pressure forced the Kingdom of Yugoslavia to recognize Soviet Russia, there were only 12,000 party members.

Secondly, Tito did not liberate Yugoslavia. His military efforts, interrupted by the capture of his headquarters in Drvar, western Bosnia, in May 1944, would have seemed to be terminated by his desertion of his men and flight to Italy in an Allied airplane which saved him. We ignored the opportunity to eliminate Tito, and to back General Mibailovich, our loyal ally, whose fighting in 1942 prevented the German use of the short supply line through Serbia and Macedonia to Greece and contributed to the saving of Egypt.

We put the runaway Tito on the Yugoslav island of Vis, guarded him, and let him fly away on a Russian plane to Moscow. There he got Stalin's consent to send a Soviet Army into Yugoslavia, against Allied agreements, and thus enable Tito, in September 1944, to take over the government. Once in power, Tito and his Communists followed blindly all instructions received from Moscow. He stated himself, in a speech before the Yugoslav Parliament on January 26, 1950—that was after their expulsion from the Cominform—"The Yugoslav Communist Party, until it was expelled from the Cominform on June 28, 1948, nurtured too many illusions and without enough criticism received and transplanted to Yugoslavia all that was done in the Soviet Union without discussing whether the measures were good or not."

During that period of taking over of power, the Yugoslav Communists killed about 300,000 Yugoslavs known or suspected of being anti-Communist. They arrested millions of others. Because of this normal Communist terror no one dared oppose them. They shot down our airplanes near Trieste. Their press and their leaders in speeches attacked all the Western Powers, especially the United States, doing so in a manner far worse than that of the Soviets themselves.

Under the subterfuge that people had collaborated with the enemy occupation forces, properties, factories, and companies were taken away from them, even from Americans who had lived and worked in Yugoslavia prior to World War I and who during that war were not in Yugoslavia but in the United States.

EXPULSION FROM THE COMINFORM OF THE YUGOSLAV COMMUNIST PARTY

People ask, "Why was the Yugoslav Communist Party expelled from the Cominform when it was so loyal to the Soviet Union?" The answer is simple if present Soviet policy in relation to Soviet satellites be studied.

The Soviets always changed satellite leaders when they wished. They did it whenever they thought anyone acted against their decisions. But to know about such actions they had to have a spy net in each country, and set up one in Yugoslavia as a matter of course. Tita, Djilas, his chief of propaganda, and Alexander Rankovic, his chief of secret police, finding that the Soviets were spying on their every action, began to seek a way of freeing themselves of such control.

They did not oppose Soviet mixing into Yugoslav affairs, actually were obedient in that regard as confirmed by Tito's remarks noted above. But they knew that as a result of the spying the same fate might befall them which had met many leading Communists in other countries, whom they knew often were tried and shot. They did not like it. When Tito, who held the **army**, and Rankovic with his police, restricted the work of Soviet agents in spying on them,

explanations and recriminations followed between the Soviets and the Yugoslav Communist Party with the result that the latter were expelled from the Cominform. The main thing is they were expelled, and they tried to get back in.

The Yugoslav Communists formed a central committee or Politburo of the party, started plans to collectivize the peasants, both being matters on which they were criticized by the Cominform. But at the beginning of 1950, they reached a hopeless situation because of the 5-year plan they had adopted in 1947. Having noted the 5-year plans of Soviet Russia and acting like the frog in the peasant proverb that "The frog saw the horse being shod, so he lifted up his foot," the Tito Communists undertook to execute in a 5-year plan that which no one, not even the Soviets had been able to do under similar conditions.

They planned that in a 5-year period they would invest on the average of 42 percent of what had been the national income in 1939—doing this with no regard to the fact that the national income in 1947 was less than prewar because of the immense damage the country had suffered from military operations during World War II on its territory. They planned first to build a heavy industry with which to make the machines needed for the reconstruction of the country, and for the development of a light industry. To try to do this they mobilized millions of people into forced labor. Additionally, and for the same purpose they used practically all they received on account of war reparations from Germany, Hungary, and Italy, as well as a large part of their UNRRA aid.

Practically all foreign collections received from exports, which were far smaller than prewar, were used for the purchase of machines and equipment for heavy industry. They attempted the entire building of a heavy industry, without preliminary studies, and to execute it immediately following the conception of the plan itself.

Yugoslavia had plenty of cement and other construction materials except steel. Instead of using them for needed repairs to put existing plants into production, the Yugoslav Communists for the various construction projects connected with their projected new factories, used vast quantities of those materials and employed nearly 1 million agricultural workers (peasants) taken with their animal-drawn vehicles from the farms.

Working thus, they commenced many projects but completed few. According to their own chief for the 5-year plan, Boris Kidric, they erred in starting so many projects and in completing so few. Across Yugoslavia, construction projects were started which never were finished because of the lack of windows, plumbing, electrical, and various iron and steel components.

Tito stated they failed, for example, in one place—in that without the required preliminary study they began construction of an electrical powerplant at a place, only to see after a large expenditure of labor and material that the site was totally unsuitable, and they were obliged to transfer the project to another location. Practically everyone who was in Yugoslavia at that time confirmed the country was turned into a vast building project, with much started and little completed.

Probably the best example of this is New Belgrade, which was to have been built across the Save River from Belgrade, the Yugoslav capital. The Yugoslav Communists undertook a new development at New Belgrade to house the Yugoslav administration, the Yugoslav Communist Party, and other party organizations. Today, the frames of those unfinished buildings stand in their sandy area as a symbol of all that is unrealistic in the work of Tito's Yugoslav Communists.

When they actually went bankrupt in 1950 because of such practices, the Yugoslav Communists turned to the West for help, especially to the United States. That year a mission from the World Bank visited Belgrade and saw at firsthand how bad things really were. The mission informed Tito and his Yugoslav leaders that their 5-year plan must be changed radically; that a new economy policy was needed if they wanted to balance the Yugoslav economy. The mission told them that making the needed change was a basic condition for consideration by the bank of any request for a loan from Yugoslavia.

The Yugoslav Government, needing money, accepted the mission's proposal and reduced the objectives of their plan by one-half. Additionally a financial program for Yugoslavia was worked out and a determination was made of the amount of money the Western Powers would have to give Yugoslavia, so that the reduced 5-year plan would be completed and Yugoslavia's finances stabilized in 1954.

From 1950 to the present, the United States, England, and France gave Yugoslavia free, as aid about \$360 million in addition to large but unannounced amounts of aid in military material. If \$436 million received from UNRRA is counted, it is seen that from the non-Communist countries of the West, three-fourths of which was from the United States, Yugoslavia, after World War II, received \$796 million until mid-1953, this having been in addition to other credits of \$360 million, making a total of \$1,156 million again not counting military material and supplies or amounts given in the 1953-54 fiscal year.

But in place of Yugoslavia's economical situation being stabilized in 1954, as had been anticipated, the entire world press announced earlier this year that Yugoslavia was unable to meet her financial obligations and requested a moratorium for payments. In addition, from the explanations (quarrelings) between the Yugoslav Communists 6 months ago it came out that the standard of living in Yugoslavia was lower than anywhere in Europe.

TITO'S COMMUNIST EXPERIMENTS

A fair question might be: "Was the World Bank advice or proposal bad, if Yugoslavia, working in accordance with it fell into bankruptcy exactly in the year set by that bank for her financial stabilization?"

The answer is "No." The desperate 1954 situation in Yugoslavia is due solely to Communist experimentation and mismanagement. It would seem that such organizations as the World Bank, and also countries such as ours, should have some opportunity to control or to insist on proper handling of moneys they loan or give to governments unable to finance themselves. That is merely my observation.

You probably read several years ago statements in which Tito and his men criticized the Soviets for not being real Communists. They often said they were truer Communists than the Soviets. Finally, after Tito's above-mentioned speech in January 1950, in which he confirmed they were in a bad situation, by implication, due to the fact he noted that they had too blindly copied Soviet methods, the Yugoslav Communists reviewed Marxist literature to find, if possible, some form of organization more communistic than the Soviets had. They found it in the so-called Paris Commune, the Communist organization founded in Paris after the Franco-Prussian War of 1871, which France lost.

The Yugoslav adaptation of the Paris Commune starts with the Communist organization of large cities and districts. Such communes, about 370 of them, are in their final phase of organization now in that formerly free country. Every commune theoretically is a separate economic unit. Everything in it is organized economically. Agriculture which is not yet collectivized entirely will be collectivized before Tito is through with it. The communes are linked together with the Yugoslav Parliament, their final guide, at the top.

The communes are not free. The Communists direct them. Thus, in the final analysis, through the Yugoslav Communist Party, which controls Parliament, everything is concentrated in the hands of Tito and his closest associates. That is the real situation in Yugoslavia. Essentially there is no difference between the organization of the Soviet Union and that of Yugoslavia.

World opinion, including ours in America, has been brought into confusion about the Yugoslav situation. For example, until recently the New York Times carried frequent dispatches from its Belgrade correspondent. Frequent mention was made of the Communist reorganization of the country. But as reports from totalitarian states are subject to censorship, those Times reports struck me as being misleading. They spoke of economic competition, of freedom of business, and of other economic matters known to students of events in Yugoslavia.

Persons reading those reports and the similar ones published in other papers could believe that Tito was changing Yugoslavia into a country with liberty and a chance for private initiative. What was not brought out, it seemed to me and to others familiar with the situation, was the fact that the business and projects reported were matters between the communes or other subsidiary organizations and that such business and projects bear no resemblance to corresponding affairs in our country.

Actually it was the continued attempt to operate Yugoslavia as a Communist laboratory based on the employment of slave labor—the most unproductive form of labor—and the use so often of goons instead of good competent men in management, which wrecked Yugoslavia in spite of excellent advice and financial help from the World Bank.

In Yugoslavia, as in all Communist countries, everything must be done according to plan. The plans may look good to foreigners as they are nicely written and printed, and the unsuspecting foreigner, even a good one, probably will have trouble in getting into what is back of the interesting figures laid before him. Yugoslavia makes an economic plan every year. Probably it is made just as carefully as the statement prepared by a crooked merchant in applying for fire insurance while filling his fire extinguishers with gasoline.

In 1950, after calling on the West for help and the receipt, as mentioned above, of sound advice from the World Bank Mission, Tito cut his 5-year plan objectives in half, probably promised to follow the advice, and got a loan. Although that was supposed to stabilize his economic situation by 1954, the next year, 1951, he needed money again. This time he called on the International Monetary Fund. This bank also sent a mission to Belgrade, in September 1951, and on the basis of figures supplied by the Yugoslav Ministry of Finance, they also made him a loan.

In connection with the efforts of these two excellent banks to bring financial stability to Yugoslavia's economy, I would like, as a businessman, to call your attention to some figures, rather interesting and instructive, I think, in the Yugoslav Government data on their so-called national economy. These seem to be worth reviewing because they probably were shown to the two banks' missions on their visits to Belgrade.

Article 8 of the law of the 5-year plan 1947-51 of Yugoslavia shows the following data regarding Yugoslavia's national gross production and national income:

[Millions of Dinars]

	1939 actual	1951 estimated
National gross production.....	203,000	366,000
Amortization ¹	² 71,000	³ 111,000
National income ¹	132,000	255,000

¹ The figure amortization used by the Yugoslavs to cover, it would seem, the cost of producing the national gross production, was not shown in the table itself, but was arrived at by subtracting national income from gross production. This was done to have figures to compare with the figures for amortization shown in following tables.

² 34½ percent.

³ 30 percent.

I do not know how they arrived at it but it appears from the figures that the amortization figure was taken at 34.5 percent for 1939 for the figures for the Kingdom of Yugoslavia (prewar Yugoslavia) and at 30 percent for 1951, post-war Communist Yugoslavia.

The International Monetary Fund's report on Yugoslavia, appendix table I of December 19, 1951, shows the following figures on national income, received by their mission from the Yugoslav Ministry of Finance:

[Millions of dinars]

National income:	
1949.....	233, 171
1950.....	212, 022
1951.....	234, 932
1952.....	237, 400

Presumably these figures, together with those supplied by the Yugoslav Government to the mission of this bank, were connected in some way with their decision to make a loan to Yugoslavia. They showed a great improvement in the Yugoslav national income as compared with the figure of only 132 millions of dinars shown in the preceding table for 1939 when Yugoslavia was a free kingdom.

Yet in the period from 1947 to 1952, in spite of Tito's and his Yugoslav Communists' belief that they could regulate things to suit their plans, the working of the law of supply and demand was such that prices of everything in Yugoslavia had risen so greatly that Yugoslavia was obliged on January 1, 1952, just 2 weeks after the publication of the International Monetary Fund's Report on Yugoslavia, mentioned above, to devalue the dinar, and sixfold at that. Where until the end of 1951 it had been officially 50 dinars for 1 United States dollar, it was worth only 300 dinars for 1 American dollar on January 1, 1952.

This brings up a very interesting situation, well worth noting as an indication of the lengths to which "Tito & Co." will go to make it appear that anything they do is better than its counterpart under the free kingdom of Yugoslavia.

Apparently the Yugoslav Government, after the January 1, 1952, devaluation of the dinar, in making its plans for the 1952 and 1953 economy, either paid no regard to the figures it used for national gross production and national income in its previous plans, or else possibly thought nobody else would bother to check the new figures against the old ones. They must have been in a dilemma, properly on the "spot." Their previous plans always showed that the estimated or planned figures had been met. (I don't say they actually were met in the sense that production and income really had been as planned, but in their plans they showed they were met.)

But in making the plan for 1952 they must have seen that actual results for past years, not the results shown to the two banks mentioned above, were far below the estimates. It well can be that the checking done by those two banks caused Tito's people to look into the figures more realistically themselves. What they found was that the best figures they dared estimate for 1952 and later in the year for 1953 would be under the actual figures for 1939—for the last normal pre-World War II year of the free Kingdom of Yugoslavia.

Obviously it would not do for Communist Yugoslavia to show results worse than those of the predecessor kingdom. They saw that using the same figure of 34.5 percent for amortization, in the difference between gross production and national income, which held in 1939, the result for their national income, the only figure that counts, would be considerably below that for 1939, as follows:

Millions of dinars]

	1939	1952	1953
Gross national production.....	203,000	167,393	163,223
Amortization at 34.5 percent.....	71,000	57,756	56,332
National income.....	132,000	109,637	106,891

How did the Tito people get around this difficulty? Very simply as you'll see in the following table. They simply kept the same old figure of 34.5 percent for amortization for the 1939 figures, but used a lower figure, roughly 10 percent, for the deductions for amortization for the 1952 and 1953 calculations. The following table for the 1952 and 1953 figures is taken from the Yugoslav Official Gazette, the 1952 figures from issue No. 17 of April 1, 1952, the 1953 figures from issue No. 62 of December 30, 1952 with the figures in the Official Gazette divided by 6 to put them on the same parity as the 1939 figures, made before the value of the dinar was reduced from 50 to 300 to 1 American dollar:

[Millions of dinars]

	1939 actual	1952 estimated	1953 estimated
Gross national production.....	203,000	167,393	163,223
Amortization.....	71,000	15,770	16,750
National income.....	132,000	151,623	146,473

This with their dishonest methods, even in financial matters, for it is dishonest to change an amortization figure without noting the fact, especially when resulting figures will be used for comparison, the Yugoslav Communists present their facts in a manner to show they have increased their national income 10 percent to 15 percent compared with 1939. When by using genuinely comparative figures as in my previous table, the figures show that the national income actually had dropped 15 percent on the data from the Communists, which may or may not have been true and correct. But at any rate it was their data.

They can make financial manipulations such as these, all they want, but they cannot change the miserable conditions under which the Yugoslav people live—that is all but those who help the Communist regime. Out of 17 million Yugoslavs there may be 400,000 to 500,000 such people, not necessarily Communists, but people who probably for reasons of existence work with the Communists

and as reward get a relatively acceptable standard of living. All the other Yugoslavs live in want, waiting the day when the Communist yoke may be lifted from their backs. Why should we Americans recognize, the crooked, cruel, despotic regime which holds those people in slavery? How can we expect the enslaved peoples to believe we are anti-Communist when we support Tito and his totalitarian Communist government?

AGRICULTURE

According to a Belgrade dispatch in the New York Times of March 9, 1954, Svetozar Vukmanovitch-Tempo, one of Tito's vice presidents, and his Economic Chief for Yugoslavia, stated:

"That the yield of postwar Communist Yugoslavia's agriculture is still below that of the prewar Yugoslavia. On the basis of official statistical data, it is seen that in the period 1930-39 the average annual production of the 5 principal cereals * * * wheat, corn, rye, barley and oats * * * amounted to 1,135 pounds per capita. In the period 1945-52 it was only 780 pounds per capita."

Corn is extremely important for Yugoslavia, especially for fattening pigs. Because of the reduction in production, and of the export of corn as soon as available, Yugoslavia was not able to raise and fatten as many pigs in the postwar as in the prewar period. Therefore, beginning in 1949, Yugoslavia constantly has imported lard, although in 1936 and 1937 her export of pigs was one-seventh of the entire world production.

According to the Belgrade Politika of May 27, 1954, Yugoslavia in this economic year will import twice the quantity of wheat which she exported on the average in prewar years. At the third congress of the Association of Communists of Croatia, Vladimir Bakaric, a leading Communist in Croatia, said: "The import of wheat becomes a requirement of our economy and not merely a result of dry years."

The droughts in Yugoslavia in 1946, 1950, and 1952, were such that without foreign help the Yugoslav population would have been threatened with starvation. A drought is predicted for 1954, which probably is good publicity backing for the new Yugoslav Ambassador's request made a few months ago in Washington for 360,000 tons of wheat.

Why should Yugoslavia suddenly have droughts since the Communists took power? Why don't they have corn to fatten pigs in Communist Yugoslavia? During my 20 years in Yugoslavia—1921 to 1941—we had some droughts and some floods, some were bad, but Yugoslavia never had to call for outside help to free herself under its former government, its constitutional monarchy.

Two of Tito's recognized leading agricultural experts, Lazar Erzizovic of the agricultural station at Zemun, and Lazar Stojkovic, chief of the agricultural station at Novi-Sad, announced after a thorough investigation that the droughts in Yugoslavia are the results of bad soil conservation—in plain language of poor or insufficient or wrongly timed plowing. Yugoslavs outside of Yugoslavia have known that a long time.

Climatic conditions in Yugoslavia are better than in many countries as regards sunshine but worse as regards moisture. In the majority of Yugoslavia's most fertile districts a sufficient moisture (rainfall) exists, but in some years too much falls followed by dry months.

Yugoslavia did not need irrigation projects to avoid drought, because conservation of rainfall obtained by proper plowing as practiced by the peasants for years without end, had sufficed. They plowed before the rains started to break up the soil and form reservoirs for moisture all through it. Thus prior to World War II such conservation, even if it did not meet the needs of the country 100 percent, yet was followed enough to avoid the droughts so common to the Communists.

Beginning with 1945, the first full year of Communist control, conservation of moisture was done but little. According to the highest Yugoslav authorities of the program for the advancement of agriculture for the period 1953-62, not more than 15 percent of the required moisture conservation is contained in it. Nothing else is possible.

The individual farmers (peasants) with their small holding of probably 20 acres, half arable, still own about 70 percent of the arable land in Yugoslavia. They are badly off for animal-drawn plows and their holdings are too small for tractors. Don't blame them for the lack of animal-drawn plows. It's not their fault.

An animal-drawn plow generally lasted 12 years. Therefore the prewar plows are worn out by now. Yugoslavia imported very few such plows during the war

and made almost none. Under the postwar Communist government they imported none as far as I know.

Erzizovac, Tito's above-mentioned agricultural expert, stated that Yugoslavia produces 38,790 animal-drawn plows annually and that 115,000 are needed for the individual small peasants. But as the great part of the plows that were produced in Yugoslavia went to the peasant working cooperatives (Kolhozses) and to the government estates, the individual peasants have been obliged to plow their land with worn-out prewar plows. Obviously they could not plow as they did prewar when those plows were new or in good serviceable condition which today is not the case.

The bad results obtained from the various peasant working associations (Kolhozses) was such that the Yugoslav Government in 1953 was obliged to permit their liquidation if the members so wished. However, as announced by the government this was not to be construed as indicating any giving up of its final aim which is to have all peasants in collectives of some kind, whatever their nomenclature will be.

The Yugoslav Communists plan to purchase agricultural equipment for the large collectivized groups they hope to build up with their program of the advancement of agriculture for the period 1953-62. They may call them the working associations or something else. It's a great question whether they will succeed any better than they have to date. But in any case, because of the wornout condition of the peasants' plows, and the insufficient number of these animal-drawn plows and of the animals to pull them, hunger, like the Sword of Damocles, will hang over the head of Yugoslavia's population as long as Tito and his Communists rule them.

RELIGION

The Yugoslav Communist Party like that in Russia forbids its members to belong to a religion. In Yugoslavia those who openly or officially belong to the church do not get better jobs. Not much imagination is needed to understand what that means in a country where the government is the sole employer.

Children are not allowed to receive religious instruction without the written consent of the parents. As many parents were persecuted for giving such permits, it's understandable that great numbers of parents have not given them.

In numerous other ways the Yugoslav Communists are trying to destroy religion, the worship of God, in Yugoslavia. They have set up various priests' associations which must work as the party wishes. The majority of Yugoslavia's priests, both Orthodox and Roman Catholic, have not joined those associations, the Yugoslav Communist police harass them constantly and it would seem in many ways.

Hundreds of priests have been arrested and sentenced to short or long terms of prison. Among them numerous bishops and one cardinal. Bishops have been mobilized and forced to serve as ordinary soldiers. The Communists went so far, according to reports from people who can be believed, that when transferring Bishop Nastich of Sarejevo, an American-born Serbian Orthodox bishop, the Roman Catholic Bishop of Mostar and a high-ranking Moslem religious leader, together with other clergy of the various faiths, from one prison to another, the railroad car in which they rode was so set on a siding that it was hit by a passing express train. Many of the clergy were wounded, Bishop Nastich having had both legs broken, as reported. Although hard for Americans to believe, it must be remembered we are dealing with an organized crowd of murderers, scoundrels, and enemies of our country as they are of any other free country. The people who would shoot down 12,000 Serbs and Slovenes at Kochevija Forest in Slovenia, and thousands of Croats delivered to them at Dravograd, and execute several thousand Yugoslavs while fastening their tentacles on the country, would not hold back from murdering or maiming a few religious leaders.

Yugoslavia, having been expelled from the Soviet bloc in 1948, and having remained loyal to international communism, as demonstrated in the United Nations, in their press and, through speeches of their leaders, is Moscow's Trojan Horse today. Yugoslav Communists, whether on diplomatic or commercial missions, are accepted as "different" or "less bad" or even as "harmless friendly" Communists. Thus they have entree whether Soviet or so-called satellite Communists might not be received. That enables them to do first-class work for international communism one of whose aims is the overthrow of our United States. They do this largely at our expense. It seems to me it is a matter which definitely concerns our internal security and could be cured through Senate Resolution 247.

The enormous material and financial aid given by the United States to Tito

and his Yugoslav Communists has shaken greatly the trust of the Yugoslavs and other enslaved people in us. They cannot see how we can be anti-Communist, when through our continued support of Tito and his murderous regime, we enable him to hold a once free people, our former allies, in slavery.

What makes it worse for us, in my opinion, in this case of the Yugoslav people, and it's a point not known to most Americans, is that we share a great moral responsibility for their present fate. That's because it was largely through pressure and promises of our diplomatic representatives that the unfortunate Yugoslav people were pushed into World War II.

In January 1941 our diplomatic representatives, with our country not in the war, gave the then Royal Yugoslav Government the choice of coming out for the British-American combination or the Axis Powers. According to Mr. Demaree Bess' excellent article, *Our Frontier on the Danube*, a first-class description of our historic blundering in the Balkans, in the May 24, 1941, issue of the *Saturday Evening Post*, we warned the Yugoslavs that if they made a deal with Germany we would regard Yugoslavia as our enemy both during and after the war. But we assured them that if they refused to collaborate with Germany the American people would see to it that they came out on the winning side. That's about what was heard in Belgrade at that time.

The then heads of the Royal Yugoslav Government, responsible men, whose job it was to try to save their own country, knew that Yugoslavia could not defy Germany, even if there had been anything to defy Germany about. They knew Yugoslavia could not resist the force which had overrun Poland, Norway, Holland, Belgium, and France and had driven the British Army into the Channel. They knew that aid from the United States, even if it could be sent—which was questionable—could not arrive in time to save Yugoslavia should Germany attack. They had no reason to defy Germany, their best customer, and like the Swedes who also did not defy Germany yet are respected and exist as a nation today, these Yugoslav leaders decided that the sole way to preserve their country was to remain neutral as Sweden did. Hence, on March 25, 1941, in Vienna they signed a nonmilitary agreement of neutrality with the Axis Powers.

Two days later, March 27, 1941, a small group of Serbians, whose leaders, in my opinion were irresponsible seekers for personal advancement rather than patriots, staged a coup d'etat, overthrew the Royal Government which had signed the March 25th agreement, and formed their reconstructed government. However, as an American who lived 20 years in Yugoslavia, and knows the almost naive faith people in the Balkans had in the United States, I believe that our diplomatic representatives' assurances that in any case Americans would see that Yugoslavia would be on the winning side in the end, must have played a great role in causing those conspirators to stage their coup d'etat. Therein lies our great moral responsibility.

Ten days later Hitler attacked. The conspirators of March 27, faced with the result of their folly, with few exceptions, and most of their new government, fled the country at once, leaving the Yugoslav people to their fate. The Army, faced with overwhelming odds, capitulated shortly.

The foreign occupations, chaos and civil war which followed, gave Tito his chance, which he acknowledges by celebrating March 27 as the start of his slave state. Incidentally it was the opening of diplomatic relations between Belgrade and Moscow, done in early 1940 through pressure put on Yugoslavia by the Allies which enabled the Yugoslav Communist Party, underground since 1921, to start to organize again. That is another case of the folly of opening relations with the Soviets.

We are not concerned here with those poor men who so thoughtlessly brought destruction to their country. We are concerned with the fact that our diplomatic representatives gave promises which those men, the conspirators of the March 27 coup, believed. We are concerned with the 1,700,000 Yugoslavs of all groups who died in the war, civil war, and massacres which followed that fatal act. We are concerned with the fact that we enable Tito to keep 17 million Yugoslavs in slavery. Doesn't it seem we should do something about all this?

We cannot redress those wrongs with money. We can, however, redress them to some extent by helping the Yugoslavs to get back that which we helped them to lose—their freedom.

Senate Resolution 247 will be a first step toward that. Our severance of diplomatic relations with Soviet Russia and the so-called satellite nations, including Yugoslavia, will serve notice on the world that we really are anti-Communist, that we have stopped temporizing about communism. We will

give hope to hundreds of millions of people a good share of whom are slaves because of our until now fatal foreign policy—fatal to our friends and to us.

We are at war with the Soviets—cold or hot it is war. All materials or goods shipped to the Soviets are strategic—even doll clothes. Think about it and you will see that all articles we ship to our enemies, even for consumers such as children, mean that a Soviet worker does not have to produce those articles. His corresponding time has been released for war production.

Senate Resolution 247 should be applied to Tito's Yugoslavia along with the other Communist countries to prevent Yugoslavia being used as a transmission line for Moscow's work. At the same time, it would seem proper to inform the Soviets and their satellites that any move on their part into Yugoslavia means war with us. That will give the Yugoslav people their chance to settle their own score with communism and Tito and regain the freedom we helped them lose.

[Translation by W. H. Smyth, New York, N. Y.]

PEOPLES REPUBLIC OF SERBIA,
COMMITTEE FOR WATER HUSBANDRY,
Belgrade, July 30, 1948.

Mr. SMYTH: For the execution of the regulatory works included in the 5-year plan which is being carried out by our institution we require certain construction machinery which is produced in the United States of America. Insofar as it may be possible to secure it under favorable terms, we address ourselves to you because you were the representative of several of the companies mentioned below, and request your cooperation in this business.

Principally these firms are known to us:

1. Caterpillar Tractor Co., 1937 Walker Street, Peoria, Ill., produces elevating graders, graders, bulldozers, scrapers, and tractors.
2. Austin Western Co., 1945 Barrows Street, Aurora, Ill., which produces parts for dredges (probably they mean graders).
3. Northwest Engineering Co., 1827 Steger Building, 28 East Jackson, Chicago, Ill., which produces dredges (mean dragline scraper), cranes, and parts for dredges and cranes.
4. Buckeye Traction Digger Co., Boyce and Crystal Avenues, Findlay, Ohio, which produces ditchdigging machines, dredge accessories, graders, and bulldozers.
5. Bucyrus-Erie Co., 1046 Monroe Avenue, South Milwaukee, Wis., which produces self-propelled dredges and excavators with diesel, gas, and steam power.
6. Allis-Chalmers Manufacturing Co., 1126 South 70th Street, Milwaukee, Wis., which produces bulldozers and other material.

In as far as you also have connections with other companies they also may come into consideration.

We need machines as follows:

I. DREDGES—DRY LAND

(a) Chain-bucket type on caterpillars or rails, effective capacity 70 to 100 cubic meters per hour, or 120–150 m³h theoretically. Buckets to be of about 80 liter capacity mounted on articulated steel links. The steel link belts must be such that they may be lengthened or shortened. The length of the steel link belts must be about 20 meters. For casting out the excavated earth the dredge (excavator) should be directly or separately connected to a conveyor 20 or 25 meters long mounted on wheels, with a rubber belt approximately 70 centimeters wide. Because of its great length the conveyor may have to be supported. Besides the conveyor the dredge should be equipped with an arm for loading wagons and wagonettes right alongside the dredge.

(b) Shovels on caterpillars (tracks) with articulated latticed arms. The articulated arm must have a bucket of about 0.60 m³ capacity and must be so constructed that it may dig to a depth of 7 meters and lift to a height of 4 meters for discharge into wagons; the effective capacity of this equipment must be about 60 to 70 m³h. The latticed arm must be of 2 parts—that is of 1 basic arm and 2 extension pieces (short and long). For work with the short arm a bucket is required of 1.0 to 1.25 cubic meters capacity. The effective capacity

of the excavator with the short arm must be 50 to 60 m³ per hour. The length of this arm must be about 10 meters. For work with the long arm a bucket is required of 0.75 to 1.00 m³ capacity. The effective capacity of the shovel with the long arm must be 40 to 50 m³ hourly. The length of this long arm must be about 14 meters.

(c) Self-propelled steam-floating dredges, bucket and suction types whose capacity will be—

1. Working with suction lines (sandy material) 250 m³h.
2. Working with buckets in sandy material 180 m³h.
3. Working with buckets in gravelly material 150 m³h.
4. Working with heavy buckets with teeth in strong material 50 m³h.

The dredges must have the following engines:

1. For work with buckets, 2 engines each of about 250 horsepower.
2. For work with suction lines, one engine of about 250 horsepower.
3. For weighing (?) lifting while working and for lighting, 3 engines of about 70 horsepower each.

II. BULLDOZERS

The dredges must be equipped with the following accessories:

1. 100 pontoons each with a suction hose 5 meters long on it.
2. 20 pieces of suction 5 meters long for shore-work.

The dredge must be equipped with cabins for the crew, with lighting for maintenance work and with steam heating for the winter.

The machines which come into consideration are those made by American factories, types D-8; D-7; and HD-14. Bulldozers must be easily maneuverable, with motors of 80 to 120 horsepower with adjustable blades 3 to 4 meters long.

III. SCRAPERS

(a) Bowl capacity 5m³, type D-7; HD-14 and HD-10 with tractors of corresponding strength.

(b) Bowl capacity 8m³, type D-8; D-7 and HD-14 with tractors of corresponding power.

(c) Turnapulls with bowl capacity 12 m³ with tractors of corresponding power.

IV. ELECTRIC CENTRALS (GENERATING SETS) MOVABLE

Capacity 60-120 kilowatts, that is 80-160 horsepower with distributing table cables and other necessary equipment for the conduct of electric current to a distance of 3 kilometers. These generating sets must serve to drive pumps and other machine tools as well as to light the work place—grounds.

Insofar as it may be possible to cover our requirements in the United States of America we request you to send us catalogs with detailed specifications of the machines so that it may be possible to decide from these and such others not listed above but which we could employ profitably in our work.

As we have stated above all these machines are highly necessary for the improvement of agriculture in our country, therefore we request you to secure exact information for us concerning the following:

1. Method of closing contracts directly with factories (companies).
2. Method of payment (through cash or the exchange of goods, state what goods would come into consideration for export from our country).
3. Time of delivery (if possible at the earliest date—even from stocks if this can be done).
4. Method of taking delivery.
5. Means of transport and other eventualities we cannot foresee.

Insofar as the conditions of the offers from the mentioned firms would suit us, we would inform you as to the quantities of the various machines which would be required.

In case of necessity you may put yourself in contact with our commercial attaché, Beno Habjanic, 1818 24th Street, Washington, D. C.

We hope for your early reply and request you to tell us the terms for this business.

Engineer DRAGOSLAV MUTAPOVIC,
Minister in the Government of the Peoples Republic of Serbia.

[Translation by W. H. Smyth]

EXTRACTS FROM POLITICAL COURSES FOR CANDIDATES FOR THE COMMUNIST PARTY OF YUGOSLAVIA

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In order to increase its membership the Communist Party of Yugoslavia organizes political courses in which candidates for the party must gain knowledge of the following subjects:

1. Teachings of Marx-Engels.
2. The development of society.
3. History of the labor movement.
4. Teachings about the party.
5. Theory of revolution.
6. Nationality questions.
7. Peasant question.
8. Anti-Fascist Front of Women (AFZ).
9. Council of Communist Youth of Yugoslavia (SKOJ).
10. Peoples Front.
11. Development of perspectives.

Most of the above themes come out in the form of lectures.

We give the main themes from the subjects: The Party, Revolution, Nationality Questions (which are worked out fully according to Stalin's papers), Peasant Question, Peoples Front.

Instruction about the party: The working class is a part of society and the party is a part of the working class. The working class enters the final fight for the destruction of capitalistic society. This, as a revolutionary fighting force must have its shock staff, as a revolutionary core which stands above the working class. That core is the Communist Party. The basic principles of the party are:

1. The Bolshevik Party is the advance guard of the working class, the leading organization of the working class.
2. The party is an organized, ordered, disciplined organization.
3. The party is the largest form of the working class organization, larger than all others, which others must be subordinate to it. The party to all a united goal and direction.
4. The party is the weapon of the dictatorship of the proletariat in the building of socialistic society.
5. The party personifies the unity of will. The party strengthens itself when it cleans itself of opportunistic elements. Opportunism and splitting into fractions will not be allowed.

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The program is the foundation of the party. Tactics decide the manner of fighting to reach near and far goals. Organizational principles strengthen the internal structure of the party. Absolute unity and correlation must exist between program, tactics, and organization. The statutes contain the essence of the organization. The statutes set the form of the organization, prescribe the duties of members and regulate the conditions for reception of members into the party. A member of the party must recognize the party program, work in one of its organizations and conform to the decisions of the party. For entry into the party a candidacy and a probation is held. The party accepts as members the candidates who have met the probationary requirements, passed the course for basic political knowledge and accept the program and conceptions of the party. The cell is the basic organizational unit and may be street, village, military, a cell in a factory, or in an institution. A secretary leads the cell but if it be big it may have its committee of 4 or 5 of the best party members. The management is made of a committee, regional, district, county, state, or central.

THEORY OF REVOLUTION CONTAINS THE FOLLOWING THEMES

1. Revolution is action for the violent destruction of capitalistic society and the building of a new society on the basis of the dictatorship of the proletariat.
2. Not a single isolated revolution, as in the U. S. S. R. and in Yugoslavia is ended until revolution will have been terminated successfully in the whole world because danger from foreign intervention always threatens. Therefore it is a fundamental task of all Communists to assist revolutionary forces in the world.
3. There is no destruction of the old order of society without revolution, there

is no revolution without the proletariat, there is no understanding proletariat without the Communist Party which is the staff and the directing organ for revolution.

4. The workers and peasants are the main revolutionary force and their council is the principal means of revolution.

5. All nationality, especially colonial questions must be inflamed, because they basically are revolutionary, hence help the process of the world revolution.

6. The international reaction assists the bourgeoisie who are falling, therefore the dictatorship of the proletariat, as rulers of the bourgeoisie, must cultivate hate of the bourgeoisie by plan.

7. The Soviets are the basic symbol of the dictatorship of the proletariat.

NATIONALITY QUESTION

The nationality question must be regarded from the point of view of the world revolution. With regard to that, the nationality question actually is a nationality colonial question. Leninism showed, and imperial war and revolution in Russia confirmed, that the nationality question can be decided only in connection with and on the basis of the revolution of the proletariat, for the road to victory leads through the revolutionary council with the liberation movement of the colonies and countries concerned against imperialism. The nationality question is a part of the general question of the proletarian revolution, a part of the question of the dictatorship of the proletariat.

It is worth while to hold to the formula of Lenin; the nationality question is nationality by form, but by its meaning is international.

Mr. ARENS. Will you kindly give the committee just a brief résumé of your personal history with particular emphasis upon that part of your life which you spent in southern and eastern Europe?

Mr. SMYTH. I went to France in the United States Army as a field artillery captain, 91st Division, in 1918. After my demobilization I elected to stay on the other side to go into business. I first went to the Caucasus for a New York company and remained there all of 1920 and the early part of 1921. It was a New York group which had planned to trade with Russia and had hoped that bolshevism soon would be stopped.

There in the Caucasus I began to get an idea of what communism really was—although I had seen results of it in the summer of 1919 on trips from my station in Vienna to Budapest after the Bela Kun Communist government was overthrown in Hungary. The Hungarian Communists were in power for 133 days and did a terrific amount of damage in that short time.

During my stay in the Caucasus I was in the evacuation of Petrovsk, now called Makhachkala, on the northwest shore of the Caspian Sea. I got out of Baku with a suit of clothes and a raincoat. Early in 1921 I left Tiflis a few days ahead of the Bolshevists' entry, and finally embarked for safety at Batoun shortly before the Communists captured that Black Sea port.

My employers decided to liquidate their business in that part of the world and paid us off. I started back for California, but visited a friend in Yugoslavia, where the previous year I had spent a month on an investigation of commercial possibilities, and, like the man who came to dinner, stayed there 20 years. I liked the place and the people. I was young, started my own company on a shoestring, and over 20 years built up a fairly large business there.

My company became distributor for Packard, Chrysler, Plymouth automobiles, Caterpillar tractors, Goodyear tires, and some other good American companies. We exported various Yugoslav products in order to secure dollars to help pay for our imports.

Chairman JENNER. When did you leave Yugoslavia and why?

Mr. SMYTH. I left Yugoslavia July 14, 1941, because of the German occupation which commenced in April that year. Our legation was shut in May, but left a skeleton consulate which was closed the middle of July, a month after the Axis consulates and legations in the United States were closed by our Government.

Mr. ARENS. Since you left you have been maintaining contact with what you have heretofore described to us as the underground in Yugoslavia; is that correct?

Mr. SMYTH. I would not call it that and don't like to talk about an underground. I have maintained relations with people over there. Nearly every month I see persons who have just come out, or hear through reliable people who have talked with them, what conditions are in Yugoslavia. Further, I get Yugoslav newspapers. Incidentally, Communist newspapers having to do with Yugoslavia are published in Prague and Moscow as well as in the United States.

Mr. ARENS. Is Tito a real Communist?

Mr. SMYTH. Tito certainly is a real Communist. There is no question about it. He was a Communist before he was taken prisoner by the Russians in World War I. I would say he took his postgraduate course in communism in Russia, first as a prisoner, and later when he remained there after his release. He came out definitely for communism, and certainly was sent back to Yugoslavia for Communist work. Tito was nominated to be secretary general of the Yugoslav Communist Party by Malenkov in 1937, the No. 1 man in Russia today, which gives an idea of the tieup he now must have.

Mr. ARENS. What about the common impression that Tito is a national or a different sort of Communist?

Mr. SMYTH. The best way to discuss that, in my opinion, is by using Tito's own words. First, I'd like to say there is a common belief in this country that Tito broke with the Soviets. But that's not the case. He did not break with them; they kicked him out. At the Cominform meeting in Bucharest on June 28, 1948, Tito and his Yugoslav Communists were expelled from the Cominform. In my opinion the reasons were largely personal.

As explained in my written statement, Tito and his top men were perfectly willing to spy on other people but they did not like it when they saw the Soviets were spying on them. There was nothing unusual in that spying. It was just Soviet standard practice. But Tito and his men knew that many Communist leaders had been liquidated through such spying, so they opposed it in Yugoslavia. That led to bad feeling and to their expulsion from the Cominform. The principal formal reasons given were that they (the Yugoslav Communists) had not formed a central committee of the party and that they had done practically nothing about the collectivization of the peasants.

There was a lot of talk about it. The Soviets claimed Tito and his Yugoslav Communists were not good Communists. They expelled the Yugoslavs from the Cominform.

Now, regarding the matter of Tito's being a national Communist, I believe that in Tito's talk on June 26, 1950, before the Yugoslav Parliament, you have the reason why people think of him as a national Communist. The following is my translation of a part of his remarks:

The essence of our road to socialism, or, better said, communism—
note that Tito himself stated “better said, communism”—

can be defined in a few words. Our road to socialism is composed of our application of Marxist science in the closest harmony with the special conditions which exist in our country.

Many people probably stopped listening or stopped reading at that point. They decided he was a national Communist because he had said “the special conditions which exist in our country.”

But Mr. Tito went on with the following, and this is a part of the same statement:

We try to introduce the spirit of that science into all our works, and every deviation from the principles of that science, no matter under what pretense, would be revisionism and treason not only to the working class but also to progressive humanity of the entire world.

When he says “progressive humanity” and “the working class,” there is no limitation to it. It is international or world communism.

I would like to go back to the matter of Tito's being a real Communist. In 1952 the Yugoslav Party had what they called their sixth congress. At that time they proposed and voted a new constitution, which is practically identical with the present Soviet Constitution. I've compared them paragraph by paragraph and they make interesting reading. But using the phrase our President and our Secretary of State have been employing lately, “We will judge by actions and not by words,” I'd say, let's judge Tito and his Communists by their actions and not by their words.

You take first the matter of the clergy and religion. The Yugoslav Communists have done everything possible to destroy religion. The priests, both Orthodox and Roman Catholic, have put up a wonderful battle for religion. Tito has established so-called priests' associations, and has tried to herd the priests into these associations so he can control them there. Some priests have gone in, but to the honor of the Yugoslav clergy it can be said that the vast majority have not gone into those associations.

Here in America we all connect children with Sunday school. It is not a matter of who you are for generally, children of all faiths go for religious instruction once a week. In Yugoslavia children can go for religious instruction only on a written permit issued by their parents. In a place where the sole employer is the state, and that state is opposed to religion, it is rather dangerous for a parent to give a permit for his children to attend religious instruction. He can lose his job. Nobody in Yugoslavia who openly professes his religion, who makes anything of it, will have a good job, or let's say a better job.

Then take the matter of private property. They just took it over.
Chairman JENNER. Did they take over your property?

Mr. SMYTH. Yes, sir. They seized my company—W. H. Smyth. Part of it, for example, was taken over by Jugauto, the automotive section of the Yugoslav Government.

Chairman JENNER. Were you compensated for it?

Mr. SMYTH. I may be, some day, from the International Claims Commission. I hope so.

Mr. ARENS. Do you make a distinction between international communism and Kremlin communism?

Mr. SMYTH. Kremlin communism is international or world communism. There is really only one communism. Communism is out to communize the whole world.

Senator WELKER. Do you make any distinction between national communism and international communism?

Mr. SMYTH. No, sir. It just does not exist. With my written statement I submitted a photostat of two pages which a Serb friend of mine stole from a Tito textbook. That section is called, "Extract From Political Courses for Candidates for the Communist Party of Yugoslavia." The following is the translation of a very significant paragraph from these courses:

Not a single isolated revolution, as in the U. S. S. R. and in Yugoslavia, is ended until revolution will have been terminated successfully in the whole world, because danger from foreign intervention always threatens. Therefore it is a fundamental task of all Communists to assist revolutionary forces in the whole world.

You will see Tito's missions all over the world. They are written up in the papers sometimes as contacting Socialist groups. But, remember, Tito in his own statement, which I just now read to you, said, "socialism, or better said, communism."

Mr. ARENS. What is your feeling about severance of diplomatic relations with the Iron Curtain countries by the Government of the United States?

Mr. SMYTH. I think that will be the first positive move we will have made against communism for years.

Mr. ARENS. What would you think about including Yugoslavia in that bloc?

Mr. SMYTH. Yugoslavia is today a Communist country. Tito and his crowd say they are better Communists than the Russians. I will stand corrected. As Mr. Goncharoff, the previous witness, so well said, we should not say "the Russians" when talking about the Soviets, but we should say, "the Soviets." I know the Russians. I lived in the Caucasus for well over a year. In Belgrade I had 11 Russians among my 35 employees. I had several of them in Zagreb.

The Russians are just like nice people anywhere else. There is a difference between the Russian people and the Bolshevists—the Soviets. In Yugoslavia there is a difference between the Yugoslav people and the Communists. We have the same difference here in America between our good Americans and our Communists with their standard international Communist way of thinking.

We should include Yugoslav with the Soviet bloc for this reason—our moral position is bad, has been since the moment we recognized the Soviets diplomatically. I think it has been especially bad since we began to support Tito. There is no question about it—the present Yugoslav Government is a Communist government. How can we say we are anti-Communist when we maintain in power Tito and his people who hold 17 million Yugoslavs in slavery?

We fought a war 90 years ago, the greatest war in history until then, the War Between the States, to abolish slavery in our country. Yet our Government, through giving aid and money, over a billion dollars in the last 8 or 9 years, has enabled Tito to hold those 17 million Yugoslavs in slavery.

Mr. ARENS. Do you feel Tito is loyal to the Soviets?

Mr. SMYTH. He has proved it right along. People here do not realize that when Tito and his Communists were thrown out of the Cominform in June 1948, that they did their best in every way for over a year to get back in. An interesting sidelight on this when they signed their commercial agreement with the Soviets at the end of 1948 for the 1949 period, they got a worse trade agreement with the Soviets than they had had for 1948. Previously they had protested over the 1948 agreement because they claimed they were charged too much for Russian products and credited too little for their own Yugoslav products sold to the Soviets. Yet to show their steadfast devotion to Moscow, they accepted a worse agreement for themselves even after their expulsion from the Cominform.

The Russians saw what was happening. They are realists. Unfortunately, western diplomats apparently only investigated to find out whether the Yugoslav Communists had been put out of the Cominform or not. When they say the Yugoslavs had been put out, they said, "That is enough." But not the Soviet diplomats. They studied the situation. They saw Tito was worth more outside the Iron Curtain than in, because with people saying Tito was a National Communist, a nice Communist, a different one, Tito's people could go all around the world, mix everywhere, even where Soviet representatives could not.

In my opinion, one can characterize Tito's Communists by saying that Yugoslavia became the Trojan Horse of Moscow. May 7 this year, in my talk before the Commonwealth Club of California on the subject they proposed, "Yugoslavia—Whose Trojan Horse?" I showed how Communist Yugoslavia was a perfect setup as a Trojan Horse. The Yugoslav Communists were theoretically outside the Iron Curtain. Therefore people all over the world received them as being different, not the real Moscow Communists. Tito has had missions in Burma, in India, even in Ethiopia and other places where Yugoslavia had no or practically no commerce.

Yugoslavia used to import a relatively small amount of jute from India for making bags, but Tito has had some of his highest men out there. Why? Making contact of course in those countries with their so-called Socialist parties. But remember, Tito himself said "socialism, better said communism." He could send his missions to places where the Soviets could not be sure how their own emissaries would be received. He has been of immense value in this way to the Soviets and to international communism.

Mr. ARENS. In the event of war, could the United States count on the Yugoslav Army?

Mr. SMYTH. I look at it this way. The Yugoslavs today are in a slave state. Tito is the head of it, and his government is in power. The people know that if the Soviets should take over, they still would be in a slave state. If they think we will keep Tito in power in case we win the war, they naturally can say, "Why should we fight to remain slaves? If Tito will be on top, we'll be slaves under Tito. We

would be slaves under Malenkov. Then why fight?" That is to me a basic point.

Secondly, Tito cannot be sure of his own army. He does not know which officers he can count on in it—that he, he knows some are personally loyal to him, but generally speaking he cannot say who are Cominform people and who are not.

Mr. ARENS. Should we trade with the Kremlin or with Tito?

Mr. SMYTH. I would say no; not with either.

Mr. ARENS. Why?

Mr. SMYTH. I notice there are a lot of ladies present here, so I will mention doll clothes. If somebody would export doll clothes, which seem absolutely innocuous, to a Communist country like Soviet Russia or any other, those doll clothes would be strategic materials. That is not foolish. Just think of it. Those doll clothes and other consumer goods sent over there release man-hours and woman-hours, as they work their women the same as their men. That releases a corresponding number of work hours of their own people for work on war production.

Mr. ARENS. Should we import goods from behind the Iron Curtain into this country?

Mr. SMYTH. No; not in my opinion.

Mr. ARENS. Why not?

Mr. SMYTH. If we import from behind the Iron Curtain countries we take goods from that area. We have to pay with our good dollars. Those dollars are what the Soviets need to buy the stuff they can buy only for dollars or for gold—strategic materials. Incidentally they have a very large gold production in the Lena gold fields in Siberia. It costs them only about \$7 an ounce to produce their gold—that is with their slave labor. Our Government pays \$35 an ounce for gold. So the Soviets can outbid us for anything they want. When they use their cheap gold and buy consumer goods in Europe or other places to ameliorate the conditions for the people in Russia, they are making their enslaved people think things are better than they really are. And by spending their cheap gold they are acquiring a large labor force working for them outside of their Communist bloc. That releases their own labor for war production. That all will come back against us. There is no question about it. We are at war, whether you call it hot war or cold war.

Mr. ARENS. Mr. Smyth, why would Tito enter into a military pact such as he has entered into with Greece and Turkey?

Mr. SMYTH. Last year he entered into a pact, a pact of friendship and collaboration with Greece and Turkey. I feel quite sure he went into that pact purely and simply to get more material and financial aid from us by making our people think we were winning him over to our side. Signing a political pact means nothing to a Communist. It is high time our people should realize that is just a part of the strategy and tactics of international communism, of world communism.

It seems that our officials, our Government, still hold to the idea that, "Well Tito is different. He broke with the Russians." They don't seem to understand Tito did not break with the Soviets; he was kicked out by them. It was a very good move for the Soviets. I do not think they knew what a good job they did when they put him out, because this business of being able to say that Tito is a national Com-

munist is wonderful publicity and very effective for international communism. That has enabled Tito to get his men in all over the place.

Senator WELKER. It has fooled a lot of people.

Mr. SMYTH. Yes, it has. You asked why he went into the Balkan pact. That is a very interesting thing. The age-old policy of the Czarist Government, and now of the Soviet Government has been to get down through the Balkans, to get down where they could cut the Mediterranean supply line of the British Empire. But now the Mediterranean is a lifeline for the United States, between our country and such countries as Turkey, Iraq, Iran, and Pakistan. We have just signed agreements with them about military aid. Those countries have good fighting men. By all their ideology they are opposed to communism, but they do not have war industries. They will have to depend on us to supply materiel and munitions. The Mediterranean is our lifeline for doing that, to enable our allies to keep on fighting when the time comes.

How could Tito join up with the Greeks and Turks in a pact which obviously is designed to prevent the Soviets from conquering the Balkans and accomplishing the age-old aim of Russia? It is very simple. What is it for Tito or any Communist leader such as he is, to sign a pact?

If you will go back to the end of August 1939, the British and French representatives were in Moscow. They thought they were signing an agreement with Stalin. Von Ribbentrop, the German Foreign Minister, arrived. He was in Moscow only 3 or 4 days but apparently made a better offer to the Soviets than the British and the French, so Stalin signed with him. Why wouldn't Tito do the same thing? It is to his advantage. He surely entered the Balkan pact just to get aid from us and to fool us further into thinking that he is with us.

Mr. ARENS. What would be the effect on the average person in Yugoslavia of a severance of diplomatic relations by the United States with Tito?

Mr. SMYTH. Personally, I believe he would be glad. Even in spite of the fact that it would be harder on him. If we would sever diplomatic relations with the Soviets and Yugoslavia today, we probably would cut down on supplies we have been sending to Yugoslavia. It would be harder for the people, but they are so fed up with being slaves and with this Tito regime, that I am quite sure they and also the people in Hungary and in the other enslaved countries would be glad because it would give a clean, clear situation. They would say, "The United States now definitely is anti-Communist." That would give them hope. Tito is in a desperate situation today. He has almost wrecked the economy of the country. If it had not been for the aid we sent him he would have been finished before this. We have saved him continually, yet one of his cardinal Communist aims is to destroy our free United States.

In connection with all this I'd like to say a word about the Yugoslav peasants. Our average American farmers, thank God, have fairly good-sized farms. But in Yugoslavia the average peasant probably has about 8 hectares, roughly 20 acres. Probably his arable land will be 10 acres. The other 4 hectares or 10 acres will be meadowland and forest or swamp or whatever there is.

The peasant is a very interesting person and he is a darn good man. He is the foundation of the country. A peasant, in a way, with his wife and family was a sort of integrated industry. They grew their own food, raised their sheep, and got wool. The women spun and wove it into clothes. They raise a few pigs. They will have a few chickens and ducks and a couple of cows. It is a very close balance in "getting by." If the man was, say a carpenter, he would make some things at home to take in and sell at the village market. Formerly they bought cotton thread from which the women also wove cloth. But in recent years under communism they could not get the cotton thread, and as Tito took their wool away from them, they could neither make nor buy clothes. This situation became so bad last year that Tito had to ease up and let them keep some of their wool. Tito tried to drive these peasants into his collectives through various oppressive measures—taxation, confiscation, and terror.

Last year Tito announced they could get out of the collectives. Things had become so bad that he said in effect, "Well, you can break up these collectives if you want, but remember, this has nothing to do with the ultimate aim of our Government, which is to have all peasants and everybody in collectives or associations run by the Government." This driving of peasants into collectives and factories—the proletarianization of the peasants—is a main point in the program of world communism.

Why should we, the United States, back a government which is operating a slave state? In this connection, I heartily recommend Senate bill S. 3632 which would make it a felony to import or ship in interstate commerce any commodity or goods produced by slave labor. Certainly we here are all against slave labor. Then why back slavery in other countries?

I read in the paper last night that in regard to the mess in Indochina, probably there will be a "voluntary" change in population. Some of the Indochinese will be moved at their wishes from the northern part south, and others from the southern part north, so we will be able to feel virtuously that we will not be forcing people to live in slavery. The Indochinese who don't want communism will be allowed to move south, to try to start again after losing everything they had.

If we are so worried about the guilt connected with forcing people into slavery why don't we worry about the 17 million Yugoslavs who we help keep in slavery through our aid to Tito paid for from our regular governmental budgets? You take this appropriation bill being discussed in the Senate now, or is it possibly in the joint committee? We send aid to Tito. Why should we send tanks, artillery, heavy equipment, jet planes to Tito? That special equipment is used by his most loyal specialists. They have been checked and doublechecked by Tito's secret police, and as a group, probably are loyal to him. That equipment helps him to hold the Yugoslavs down. Why should we do that? We helped shove the Yugoslavs into war to their destruction. It was none of the Yugoslav people's doing. It seems to me we have a record there which we Americans should try to correct.

There was no reason for letting the Soviets take over China, but even in that sellout Tito was very useful, playing his part in world Communist strategy. I am a businessman and don't have to wear striped pants to understand that. In 1948 and later, all that talk about Tito, that we were getting him away from the Soviets, that smokescreen continually put up in the papers about Tito and Yugoslavia, that

through him as bait or example we were going to get Mao Tse-tung and other leaders of Soviet-dominated countries to "break" with Moscow—all that diversion which you remember in the newspapers certainly was a part of the strategy and tactics of world communism.

That propaganda, partly put out, possibly innocently, by our own people, greatly helped the Soviets to take over China, 450 million people, with practically no noise. That lies on my heart. I was born in China. My father and mother were missionaries there. Although I left China as a boy I've maintained contact with people who know China well. Everyone knows that for 100 years the Chinese have been our friends. We never forced them to import opium. You know about the opium war when the British fought the Chinese to force them to permit the importation of opium from India. We had a clean record in China. After the Boxer War we didn't ask for indemnity, as the European nations did. We arranged that China should use what would have been indemnity payments to send Chinese students to the United States to study in our universities. Then during and after World War II we let China be sold down the river, while our people's eyes were diverted away by Tito and his Yugoslav Communists.

Frankly we sold the Yugoslav people down the river, too. I'd be willing to go to bat on that and discuss it but it's late now. The best article, in my opinion, on the betrayal of the Yugoslav people was Mr. Demaree Bess' *Our Frontier on the Danube* in the *Saturday Evening Post* of May 24, 1941, previously mentioned in my written statement.

Why should the people south of the new line to be set in Indochina trust us? How can the people in Thailand go to sleep now without worrying as to when their turn will come? The thing moves along. It has been our words against Soviet actions. They have been pushing out, expanding their Communist world empire. One place where it was American actions against Soviet words was the Berlin airlift. That did a great deal to raise the prestige of the United States. That is something we all can be proud of. There was no reason for its being required but that's a different matter.

I am in favor of Senate Resolution 247 calling for the severance of diplomatic relations with the Soviets and satellites and would make it include Communist Yugoslavia. If people who think Tito is a "different" Communist would like to make a special matter of this case, they could say to Tito: "Tito, we are going to sever diplomatic relations with the Soviet Government and satellite countries. As far as you're concerned, we'll give you this alternative. You sever relations with the Soviets, too. You put democratic processes and order into your country, give your people a chance to say who will be elected mayor of the town, the councilmen, and all other officials. Let us supervise the distribution of the supplies we send to Yugoslavia." If he's honest he'll do it.

Why should we send our tanks, planes and other military equipment to Yugoslavia and not have our men there on the spot to see who gets it and how they use it? Every American who would be over there, whether officer, noncom, private or civilian, telling them how to use our equipment, and teaching them our methods, would be a missionary for our free way of doing things. Instead of that we let them send their people here to go around our factories and our installations. They see everything we have. I have talked with Yugoslavs in New York who speak with these Communist Yugoslav visitors.

When they finish their courses and are on their way back, they say, "What fools the Americans are. They let us go around and see everything." Of course, those are picked men who are sent over here. The proof they are picked is that out of all the Communist Yugoslavs who have come over here, only about three or four have come out and said they wanted to stay here. There was a case last year, three men in the air force who asked asylum in America.

I doubt that Tito would agree to come along with us. In a free election he'd be out of his job. If he would not come along, I would inform the Soviets that if they or any satellite would move into Yugoslavia it would mean war with us. That would give the Yugoslav people a chance. I hope that when the demarcation line will be set in Indochina we similarly will tell the Communists that if they move south of it in any way that will mean war. We have got to do it sometime, so why not now?

I strongly approve of Senate Resolution 247. I think it will be the first positive step in 21 years in making people see that without any equivocation we are against communism. It will restore the world's faith, especially the faith of the enslaved peoples, in our United States, and to me faith is the most important thing. There's no use in telling the enslaved peoples that everybody over here has a car and a refrigerator. That won't make anyone want to fight on our side. But faith in us will.

Our forefathers fought for liberty in our War of the Revolution. That was the main thing for George Washington and the others. God knows they had a tough time, but they had a burning ideal—liberty. What we must do is to give the enslaved peoples of the world hope for liberty. I believe that the breaking off of diplomatic relations with Soviet Russia and her satellites including Communist Yugoslavia will give them that hope hence help in the battle against world communism.

Chairman JENNER. Further questions?

Thank you for appearing before us. We appreciate it very much. (Whereupon, at 3:10 p. m., the committee recessed, subject to call.)

STRATEGY AND TACTICS OF WORLD COMMUNISM

THURSDAY, JULY 22, 1954

UNITED STATES SENATE,
SUBCOMMITTEE TO INVESTIGATE THE ADMINISTRATION
OF THE INTERNAL SECURITY ACT AND OTHER INTERNAL
SECURITY LAWS, OF THE COMMITTEE ON THE JUDICIARY,
Washington, D. C.

The subcommittee met, pursuant to call, at 10 a. m., in room 457, Senate Office Building, Hon. William E. Jenner (chairman of the subcommittee) presiding.

Present: Senator Jenner.

Also present: Richard Arens, special counsel; Frank W. Schroeder and Edward R. Duffy, professional staff members.

The CHAIRMAN. The committee will come to order.

Do you swear that the testimony given in this hearing will be the truth, the whole truth, and nothing but the truth, so help you God?
Mr. AMOSS. I do.

TESTIMONY OF ULIUS LOUIS AMOSS, PRESIDENT, INTERNATIONAL SERVICES OF INFORMATION FOUNDATION, INC.

The CHAIRMAN. Will you state for our record your full name?

Mr. AMOSS. Ulius Louis Amoss.

The CHAIRMAN. Where do you reside?

Mr. AMOSS. Gibson Island, Md.

The CHAIRMAN. What is your business or profession?

Mr. AMOSS. I am president of International Services of Information Foundation.

The CHAIRMAN. Would you give us some detail of that organization?

Mr. AMOSS. It is a nonprofit organization, established to collect and disseminate information from overseas countries.

The CHAIRMAN. How long have you been president of this organization?

Mr. AMOSS. Since its inception in 1946.

The CHAIRMAN. Proceed, Mr. Arens.

Mr. ARENS. Colonel Amoss, you have prepared at the request of the Internal Security Subcommittee your testimony in documentary form?

The CHAIRMAN. Mr. Amoss, the press people cannot hear you. Would you speak a little louder and raise your voice?

You have a prepared statement you have submitted to the committee?

Mr. AMOSS. I have, sir.

The CHAIRMAN. That statement will go into the record and become a part of the record.

(Mr. Amoss' prepared statement follows:)

TESTIMONY OF COL. ULIUS AMOSS

Mr. Chairman and gentlemen, my name is Ulius Amoss. I am a reserve colonel, Air Force. Throughout 1942 I was Chief, Eastern European Section for Secret Intelligence for the Intelligence Division, Office of the Coordinator of Information, later the Office of Strategic Services. In January 1943 I was stationed in Cairo as Deputy for the Middle Eastern Theater of Operations, OSS, and Chief of Operations, for Intelligence, Sabotage, Guerrilla Warfare, and Psychological Warfare, and was simultaneously Commanding Officer, Experimental Detachment, G-3, United States Armed Forces in the Middle East. My theater ran from Italy and Poland to India and Ethiopia.

When Gen. L. H. Brereton, Theater Commander and Commanding General of the Ninth Air Force, was transferred (fall of 1943) to the British Isles together with an enlarged Ninth Air Force to provide tactical support for the invasion of Normandy, he took me with him as Deputy Chief of Staff. I served General Vandenberg in the same capacity when he took over command of the Ninth Air Force. My duties included direction of relationships with allied governments, civil and military government, tactical liaison with allied air forces, operations in concert with European underground formations, and special intelligence.

At the end of 1945, I was assigned to special duties with General Vandenberg, then Director of Operations, United States Air Force. In May 1946, I requested separation from the armed services and immediately started the private intelligence services in which I am engaged today.

I am the unsalaried president of the International Services of Information Foundation, Inc. This is a nonprofit, volunteer organization engaged in the collection of information from many countries of the world, including all states within the Soviet orbit and the dissemination of such information to our subscribers. The trustees of the foundation are:

Richard F. Cleveland, chairman (lawyer, Baltimore)

U. L. Amoss, president

Maj. Gen. Henry Evans, Maryland National Guard, broker.

Brig. Gen. William Purnell, Maryland National Guard, general counsel, Western Maryland Railroad

Brig. Gen. Thomas Catron, USA retired

Maj. Gen. Donald Connolly, USA retired

Maj. Gen. E. S. Hughes, USA retired

Brig. Gen. Claude Thiele, USA retired

Miss Mary Veronica Grogan (Mrs. U. L. Amoss)

Mr. Joseph Mullan, president, Champion Brick Co.

Col. Shipley Thomas, USAR retired

Mr. Stuart Bushong, lawyer, Hagerstown, Md.

Neither this foundation nor I have any connection, overt or covert, with any department or agency of the United States nor, of course, with any other government.

I do not claim to be an expert on Russia nor am I an outstanding specialist on communism. However, I am supported by some of the world's greatest authorities on Russia and on Russian communism. For personal safety, these men must remain anonymous since they are in constant contact with Soviet sources or are easily available to hostile intervention.

My alarm over the intentions of Soviet Russia and the Communist Parties under control of the Soviet Communist Party was first awakened in the fall of 1944. A small task force under my command, looking for German saboteurs in the neighborhood of Chantilly, France, seized some papers from a house we later discovered to be the clandestine headquarters of a French militant Communist underground formation. Included in the papers were Moscow orders instructing this group, in coordination with others, to attack the rear of American military forces in France in the event American troops managed to cut their way across the Rhine before Soviet troops in the East had advanced sufficiently to deny a further American advance. The orders were detailed and specified attacks of a

guerrilla nature, cutting of American communications, sabotage of fuel supply dumps, of United States airplanes, and for the assassination of United States commanders.

Other Moscow instructions contained in the papers we had seized instructed French militant Communists to file applications for postwar military training, emphasizing that in the postwar French military establishment it was desirable for as many Communist battalion commanders as possible to qualify. The instructions said that this was the rank that could control the French Army. Listed also, were the names of several cooperating officers of general rank. One paper from Moscow was signed by Maurice Thorez.

It was then that I realized that world war III had begun before World War II had actually been won. I believe, but do not know of my own knowledge, that it was about this time that Mr. A. A. Berle made a public statement to the effect that he distrusted Soviet intentions. I do not know whether the intelligence to which I have referred above had reached Mr. Berle.

For some years military and political writers have been speculating as to the advisability of launching a "preventative war." Already, in 1944, it was too late to prevent world war III. A war-in-being cannot be prevented. All that remains to be done is to win it.

World war III, so far, is a limited war, restricted to certain weapons, to certain means, and to certain areas. But it has ever been spilling into new areas.

Until now, it has been the Soviet Communists who have chosen the weapons, the means, the place, and the time of attack. Initiative lies in Soviet hands. Military commanders believe that victory goes to him who possesses the initiative, defeat to him who remains on the defensive. The Maginot Line did not save France. There is not even the possibility of a Maginot Line in subversion.

Even so, some of our faltering allies accuse us of using too much initiative. They say that they are afraid that we will drag them into war. They complain that we are too new, too "green" in the conduct of affairs. "Childish," "emotional," "unstable," they call us. They suggest that we should put our resources back of their diplomatic leadership and allow their skilled diplomats with "long tradition in the conduct of foreign affairs" to lead us.

I submit that it was not American diplomacy that brought forth two world wars. We dragged no nation into those wars; it might be said that we were dragged into them. The only war into which even an unfair criticism might accuse America of dragging others, is the Korean war. But even here, the South Koreans and we furnished the bulk of the fighting forces and virtually all of the material. For the sake of permitting the Korean war to be a United Nations and not an American affair, we accepted small token forces and paid for them by submitting ourselves to the criticisms of our allies and by allowing them to influence us to settle for less than a military decision. Though diplomacy is out of my sphere and I have no competence in foreign policy, yet as a plain citizen I remain unmoved by the criticisms of our allies in a sphere in which they have displayed no brilliance for decades.

I am attracted by Senator Jenner's remarks of May 13, 1954, proposing severance of diplomatic relations with Russia. As a plain citizen it makes sense to me that we should recognize Russia—but recognize her for what she is, a declared enemy of the United States, a belligerent committing hostile acts against this country, its citizens and their free institutions.

I submit the following propositions:

1. It is too late to prevent world war III.
2. The first line of defense for any nation is intelligence.
3. Defense is not sufficient.

4. Though the present conflict is limited, earlier limits were exceeded and it is not guaranteed that present limits will be observed until we may pass from a half to a three-quarters or even to a total war.

5. To avoid a civilization-destroying total war, it is necessary to win the war that has been thrust upon us. The best way to prevent a general war is to make it unprofitable, even impossible, for the enemy to wage one.

It would be repetitious to repeat the record of Soviet aggression. We know that Soviet-sponsored arms have killed Americans on the battlefield. We know that Soviet agents have subverted American citizens. We know about the subversive war they wage on our docks, aboard our ships, in our factories and, even in our free institutions. We are familiar with their ugly propaganda and the slanderous lies they publish against honorable, leading Americans. We know that the Soviets have kept vast armies in being and that they are furiously arm-

ing. We know that Moscow-ordered agents have and are attempting to seize control of still-free governments. But let us look at the record as of today:

The Soviets are rearming. From sources in Moscow I learn that the informed man-in-the-street generally believes that Soviet Russia will be engaged in a general war within 5 years. Some informants believe the general war may come much earlier.

STRATEGY

Until now, Russia's military strategy has been based on a land mass controlled by massed armies. The role of the Russian Navy has been the defense of the Russian Army's sea flanks. Stalin followed Mackinder who claimed:

Stalin depended on his mass army to dominate the world. The Soviet Navy and Air Force were but adjuncts to his land forces. Stalin denied the theory that sea dominion is a prerequisite to power; believed a land mass could win adequate water transport.

Stalin harked back 50 years for his concepts of a strategy that would win a world for Soviet Russia; borrowed his theme from H. J. Mackinder who, about the year 1900, presented the Geographical Pivot of History to the Royal Geographic Society. (Mackinder was a teacher in the London School of Economics.)

Mackinder claimed:

1. The maritime age has passed.
2. From now (1900), land power will be decisive.
3. Explorations have been completed; the world now is a closed system; any expansion of any power will lead to disturbances on a world scale.
4. The greatest land mass lies in the Old World. Its heart lies in Russia—out of reach of sea power.
5. The character of this "heartland" has altered. No longer the scene of horse-and-camel-borne nomadic raids which, until now, devastated settled lands on its periphery. This great area is the home of vast populations, served by modern communications. It is, thus, the source of enormous potential power; occupies the most valuable strategic position in the world. It enjoys remarkable interior lines of communication. It is the pivotal state.
6. Outside the "heartland," there is an inner crescent of marginal continental states—the European coasts, the deserts, and the monsoon coasts.
7. Expansion of the pivotal state over the marginal lands will enable Russia to become a naval power; if industrialization is achieved, this power could build great fleets, a further enablement to reach the goal of world supremacy.
8. Dominance over or alliance with Germany could assure this aim.
9. Against this threat, the "lands of the outer insular crescent"—(Great Britain, America, Japan, Australia)—should build and jealously maintain bridgeheads in France, Italy, Egypt, India—and Korea. Only thus can the pivotal state be prevented from world dominion. (This was written in 1900.)

Mackinder thought in two elements, the sea and the land. He worked and thought before the airplane had made the air a third strategic space.

Bomber and atom bomb forced Stalin to alter his original planning; the threat of the devastation of the atom had to be countered. The invulnerable "heartland" became susceptible to potentially mortal wounds.

Mackinder said, and Stalin believed:

Who rules East Europe—commands the "heartland."

Who rules the "heartland"—commands the "world island."

Who rules the "world island"—commands the world.

The great "heartland" lies within Russia; Russia is the "pivotal power" on whose axis world power might revolve.

So, Soviet Russia, moved according to pattern. She pushed her armies to the Elbe and Vienna; ruled East Europe. She commenced the fortification of the shores of the "world island," the shores of the Arctic, the Baltic and the Black Sea.

The Black Sea was defended by naval bases from Burgos, Bulgaria, to Batum, Transcaucasia. Airfields provide cover for the entire Black Sea. The Black Sea is sealed; has become a part of the "heartland."

The Baltic Sea, relatively long and narrow, is effectively commanded by a series of naval bases in Poland and the Soviet Union; from Stettin to Porkkala (Finland). Together with bases in East Germany; with a well-integrated system of airfields and with guided-missile bases, and especially because of the easily mined narrow straits, the Baltic can be denied to Western naval forces. (Soviet Russia will seize the Danish island of Bornholm.) The Baltic is a part of the "heartland."

The Arctic Sea was considered by Mackinder an impassable barrier. New arctic navigational developments: the opening of the Great Northern Sea Route from Murmansk along the Siberian coast to the Bering Straits and Vladivostock; and the sensational development of airpower have partially invalidated Mackinder. Soviet Russia took measures, among which was the development of the northern shores and the northern islands. They connected the Polar cap with the Arctic section lying between 172° west and 32° east.

A special northern sea route administration was established, including in its authority Soviet lands north of the 62° parallel. Ports, naval stations, settlements, weather stations, and airfields are rapidly being built, one after the other. East of Lena, the zone is under the administration of:

The Dalstroy, where in 1951 new airfields and weather stations were being added to 1950's 200 weather stations; 2,500 planes provide aerial transport; 50 icebreakers, some of them American property, keep the sea route open so that ships can ply the northern sea route 150 days in a normal year.

Two conflicting military doctrines faced each other in Korea. The Russian-supported land-based massed armies of North Korea and Communist China against the sea-supplied forces of the United States. The Soviet high command apparently drew a lesson from that conflict.

There now has been launched a naval strategy and Soviet Russia is bent on becoming a naval power, supported by airpower.

It seems to me that too little public attention has been paid to newest Soviet naval plans. (I assume that the very efficient United States Naval Intelligence is progressively informed.)

The Russian planners have also drawn a naval lesson from Hitler. When Hitler invaded Poland on September 1, 1939, Germany was not ready for a major war at sea. The German surface fleet consisted of no more than 2 old battleships, 2 battle cruisers, 3 pocket battleships, 8 cruisers, and 22 destroyers. A few heavy ships were still building, but only 2 battleships and 1 cruiser were completed during the war.

The German Naval Staff had insisted on a larger Navy before engaging Great Britain in war. Admiral Doenitz had insisted that Germany needed 300 U-boats before fighting England. But the war started with but 26 U-boats suitable for Atlantic operations and of these, only 8 or 9 could be kept in the Atlantic at a time.

Yet, commencing the war with less than 10 percent of the calculated minimum of submarines, Germany all but starved the British Isles. Before America entered the war, a British intelligence officer told me that the average life expectancy of a British freighter was less than 6 months.

Soviet Russia has in being more than 10 times the number of submarines Hitler had when he started the war. And the bulk of these are improvements on the German snorkel which never saw battle in the Atlantic. Russian submarines are roving the seven seas; they have made landings in Central America and on the English coast. It is believed, though not proved, by my sources that they have been in contact with clandestine parties on America's Atlantic and Pacific shores.

Soviet Russia has a numerous destroyer fleet, a number of cruisers of the *Sverdlov* class which are virtually smaller editions of Germany's pocket battleships. She is reported to be building aircraft carriers. I do not here cite figures obtained from my own sources because they do not agree with figures published from United States naval sources and I assume the latter to be correct.

With Soviet strategy including plans for offensive as well as defensive naval warfare, the direction of Soviet global strategy has changed from east-west to north-south.

Until and unless Soviet Russia can effectively neutralize American and British seapower, Russian planners believe in transpolar attack. They believe that their present and anticipated gains in the Far East plus the belt of European satellite states afford adequate defense on both flanks.

In this case, it is well to look at recent Russian action, plans and propaganda.

Major preparations for transpolar war are being made on the northern coast of Siberia. Virtually every Soviet Arctic island is equipped with anti-aircraft warning systems. Longrange rocket installations have been established in (1) Magadan Oblast, (2) Taymyr Peninsula, (3) Arkhangelsk Oblast and, (4) Kola Peninsula.

Soviet anti-aircraft artillery commanders and the Taymyr rocket command have been ordered to be in battle readiness this year.

My sources believe that the Soviet seventh and eighth Antarctic whaling expeditions carried submarines, submarine crews and base staff to the Antarctic. With the respect I have for United States Naval Intelligence, I have no doubt that a search is being made for traces of these alleged new bases. The "Aleut" whaling flotilla (based on the Kurile Islands) and the Kurilskaya whaling flotilla (based in the Northern Pacific) are believed to be serving Soviet naval interests.

While the direction of Soviet armed attack, as now viewed in the Kremlin would be north-south, the direction of immediate expansion is indicated by the term often heard in Soviet military circles; the Moscow-Sydney axis, as I have long pointed out to my readers. The final goal is Australia, as was more or less indicated by Mr. Petrov's revelations when he defected. This ultimate aim is also indicated the stubbornness of Communist pressure on Viet Nam, Laos, Cambodia, Malaya, and Indonesia and by mounting Communist pressure on the Philippines.

In an address I made at a closed meeting at the Lord Baltimore Hotel in Baltimore, October 19, 1953, I repeated my previous warnings about Guatemala and listed the countries where Soviet Communists were making or had made bids to take over local governments as follows:

"Guatemala—in Red political hands. British Guiana, opposite to which is the Gold Coast of Africa and Nigeria where local Communists are making a strong bid for control. Kenya. Goa in Portuguese India where Communists are having their own way. Still farther East, the vast new Communist state of Andhra, and Malaya and Indochina where the struggle goes on."

With this oversimplified detailing of States where local subversive forces are making or have made strong attempts to take over local governments, it is easy to see that there is an attempt to create a world-spanning framework of potential colonial republics. Against the Communist complaint of capitalist encirclement, it is interesting to ask. Who is encircling whom?

The scheme is simple. Take a primitive people. Create a Communist-dominated government or administration. Demand recognition from Moscow and the Soviet Orbit. That is all that is necessary to create a chain of submarine and air bases spanning the world.

But two events happened. The British Government acted swiftly in British Guiana. Anti-Communist forces drove the Communist-dominated government out of Guatemala. From this latter event, there was an unexpected second gain.

Soviet propaganda blasted the United States and accused this country of having caused and managed the revolution. This propaganda has backfired. Among those who heard it were many who secretly hate their Red masters and who had despaired of the great Nation of America standing up to any part of the constant whittling away at the perimeters of the free world. My sources within the Soviet orbit tell me that the Soviet-disseminated "news" that America had forestalled another Red base electrified these people, put new heart into their secret resistance, and raised American prestige.

From the welter of information regularly flowing from Soviet and Soviet orbit sources, I select the following 4 items, 1 the slow propaganda buildup for possible later agitation, and 1 describing 1 section of Soviet rocket firing experimentation; the third, an item of naval interest; the last, an item that suggests Russian self-sufficiency in the supply of uranium.

Even so strange a thing as strongly hinted Soviet claims to Alaska have appeared. A Soviet lecturer at the Warsaw Political Academy in 1952 said that Soviet Russia will claim Alaska perhaps during the year 1958. Other Alaska propaganda has appeared.

One of my informants attended a feast at Murmansk given for the crews of the Soviet icebreakers *Lenin*, *Georgiy Sycdov*, and *Levanovski*. He heard the following:

"Long-range rocket tests have been and are being carried out from 5 launching sites on the Kola Peninsula for a range up to 3,105 miles. Soviet rocket engineers claim they can reach 6,210 miles. However, the most accurate range was 1,250 miles. Rockets used in the tests are improvements on the German 2-stage M-103's, developments having been perfected at Khimki, near Moscow."

The Mariinsky Canal has been rebuilt. Its significance is the fact that Soviet naval vessels including submarines and up to destroyers can pass on guarded interior lines of communication between the North, Baltic, Caspian, and Black Seas, as originally planned.

Polish, Czechoslovak, and East German uranium mines are to pass to the control of a Polish-Czech-German combine in which Russians will have only a technical advisory capacity. My informants believe this indicates that the Russians

believe themselves to be self-sufficient in the supply of uranium from Russian sources.

TACTICS

I cite here the classic example of Soviet escape from obliteration, the perfect example of successful subversion on such a scale that all history cannot provide a case that equals it. This secret history has never been released to the general public.

It began in the early 1920's. The Bolshevik regime seemed doomed. As always when in trouble, the Soviets appealed for a peaceful coexistence with capitalist countries. With tongue in cheek, they seemed to renounce their tenet that communism and capitalism could not live side by side.

Revolution after revolution had torn the Russians. Between April 25 and October 12, 1920, through the insubordination of Stalin and Budenny, the Russians lost a war with Poland that they had already won. By 1921, Russian economy had all but collapsed. There were peasant uprisings; factory workers rioted. Red sailors mutinied and were defeated only after much bloodshed. Czarist troops had massed on Russian frontiers.

Soviet leaders were at each other's throats. To placate their furious populations, freedom of trade was partially restored. Private commercial establishments were allowed. Russia joined in the economic conference at Geneva and expressed a willingness to cooperate with non-Communist countries.

While Communist Russia was buying time, her subversive machinery was working. By exercise of terror tactics, a Czarist civil servant, Alexander Alexandrovitch Yakushev was chosen as the instrument which eventually destroyed the threat of the patriotic million of the Russian emigration, who crippled western intelligence so completely that its Russian services have never fully recovered.

Yakushev became the instrument of death of countless thousands of his own kind. If there had been no Yakushev, it is probable that there would have been no American white crosses in Korea. Without him, it is probable that the world would not now be suffering a half-world war III, a limited war that threatens to become a total conflict using all means of mass destruction and involving all the people of the earth.

Yakushev, guided by Secret Police Commissar Kiyakovski, assistant chief for counterintelligence, W. A. Styrne, and Chief Military Censor A. A. Langvoy, left Russia. He established himself as a genuine monarchist with Grand Duke Nicholas Nicolaivitch and convinced him that secret monarchist movements existed everywhere in Russia. He convinced the grand duke that an underestimation of the virility of the new anti-Communist Russia would be a fatal blunder, because, if cooperation with western forces continued, xenophobe Russia would rally around the Communists.

Yakushev convinced the émigré Russians that their activities should cease, because their opposite numbers in Russia would supply all intelligence and would execute any intelligence assignment.

The émigré press changed its tone, having been warned that exaggerated zeal in anticommunism could defeat their purposes. Émigré public organs condemned warmongers and pointed with pride to the great, spontaneous revival in the fatherland.

Émigré officers introduced Yakushev to various European army general staffs. The heads of European intelligence services were charmed, swallowed the bait, and eagerly cooperated with the giant network covering the entire Soviet structure.

The Soviet secret service provided Yakushev with authentic military, political, and economic documents, and provided him with approximately true answers to the questionnaires Western intelligence officers had given him.

European officials helped Yakushev to smuggle alleged Russian monarchists into Europe and, in exchange, European intelligence agents were smuggled into Russia where they attended many meetings of Soviet agents who pretended to be monarchists, until even the most skeptical Western agents were convinced that a monarchist revolution was about to overwhelm the Bolsheviks.

A vast flood of information inundated European intelligence services which then relinquished their existing systems within Russia.

Yakushev, the miracle man, got his men attached to European general staffs. These sent critical intelligence to the Soviets; created intrigues within Western military establishments and stimulated jealousies between contending secret services.

The Grand Duke Cyril Vladimirovitch was convinced that the monarchists in Russia were near success and, in 1927, proclaimed, "The Soviet constitution is right and good, only the top strata of the government need be removed."

Émigré activity had all but ceased; all émigré plans were known to the Communists. Eleven non-Communist intelligence services had relinquished their own networks. The real anti-Bolshevik leaders in Russia were uncovered and liquidated. The threat of a European-supported reentry of a million Russians into their homeland was ended.

For 7 years, European intelligence chiefs had been duped. Until this day, Russian sections of European intelligence systems suffer from history's greatest intelligence hoax and communism, promising peaceful coexistence with the democratic world, was saved, soon to destroy many of the very states with whom they had promised to coexist.

The Russians code-named the fantastic operation the "Trust." The old Trust is dead, but a new Trust is at work. Already it has planted false intelligence. Overseas émigré organizations are thoroughly penetrated by Soviet agents of the new Trust.

A parade of informers cross western lines—and recross into the Soviet orbit with ease. False underground movements are established, come into contact with the émigrés and, through them establish relationships with western intelligence and with western military officials.

One of the "lines" used is that any attack on "eternal Russia" would reunite dissident Russians now "reluctantly" serving under Red command. It is pertinent to ask whether it is honorable to sacrifice the lives and liberties of the numerous non-Russian Russians and of non-Russian Europeans to the problematical sentiments of the enslaved Russians who, it is claimed, prefer continued enslavement to rescue and whose condition is not vastly different from that which their forefathers patiently endured for six centuries.

Russian Communists use many vehicles and many means to spread contagion. A plywood company in a western capital sends agents to Africa. A western ship has agents planted among its crew. Remnants of the old Nazi secret intelligence systems have been employed in Soviet service. (In this case it is interesting to note that the bulk of the files and records of the Nazi intelligence and secret police systems were seized by the Russians.) Through these, they traced Nazi lines to western countries. By blackmail, they have compelled former Nazi secret agents in Western Europe to serve Soviet intelligence and even sabotage purposes.

New schools of sabotage and intelligence have been formed, at least two of them in Eastern Germany. One of these schools instructs "students" from all western countries. The graduate "student" returns to his homeland, but under a new identity to a new community.

There is presumptive evidence that "students" of one of these schools are practicing in France and England; perhaps in America. It is believed by informants that some cases of sabotage in Great Britain were perpetrated by graduate students as a test of plans drawn for more serious acts of sabotage to be committed at a later date at a given signal.

From the newspapers, I am familiar with some of the exploits of the FBI and of other United States security agencies and I have read something of the careful work of this committee. But, I submit that the work of even so great and competent an institution as the Federal Bureau of Investigation is made nearly intolerable by the fact that, until now, we have acted on the defensive. We allow our enemies full latitude of selecting the time, the place and the weapon. But we do not place him on the defensive.

I suggest that, as many blows as we have suffered at the hands of Soviet agents, we are less vulnerable than Soviet Russia.

Before developing this theme, I would like to insert an observation: Communism, as sponsored by Moscow, includes the doctrine of social revolution and the use of violence in the overthrow of the existing democratic order. It sponsors class warfare, the forcible abolition of private property and the physical liquidation of the bourgeois class. Communist dogma calls for totalitarian dictatorship by one social class, led by the Communist Party.

Communist parties in the Western World are subordinate to the Soviet Communist Party and are compelled to serve the interests of the Soviet state. All modern communism is called on to serve the Soviet Russian state.

Communism thus is a belligerent and threatens the state by violence. Western Communist parties are used for subversive purposes, such as espionage and sabotage. Therefore, these parties and their members must be dealt with under existing criminal codes.

I am dismayed when I read the speeches of some well-meaning Americans who call for us to develop some new ideology, some grand new social-political-economic doctrine and then to proclaim to the world "what we are for." The West has enough social, economic, and political programs. Its choice of them and the application of its choice properly form a part of the revolutionary processes of democratic society. It is not a lack of positive aims, but their abundance that characterizes democracy. The problem lies in the choice and application of aims democratically chosen, and this is the duty of political parties, congresses, governments, and even of private institutions.

In confronting the menace of Russian communism, I submit that we must know Communist aims, evaluate Communist means, anticipate Communist methods and seize the initiative in the battle that has been thrust upon us. We should carry that battle to the Communist homeland.

Russia is more vulnerable than we.

I have indicated that Soviet Russia calls for such things as "peaceful co-existence" whenever she is in trouble. Soviet Russia is in trouble and Soviet Russia is vulnerable to a clandestine war similar to that she wages against us.

From my sources I draw these facts:

1. Of the approximately 200 million peoples of the Union of Soviet Socialist Republics, only about 75 million are Great Russians. The true Russian is a minority in his own country.

2. Bolshevism rose to power on the shoulders of the peasantry and the rank and file of the workers. The peasantry is disillusioned. The peasant has been taken from his small holding where, even with a wooden plow, he was able to eke out a living. But, on the collective farm, he needs machinery. Many Russian plants turned from making tools of peace to the manufactures of war. Russia began to import agricultural machinery from the West. The embargo, as violated as it has been, has forced a hard decision on the Kremlin. Should munitions factories be turned back to the manufacture of farm machinery? Or should they continue to battle their farmers who, unable to earn their keep without machinery, attempt in droves to escape. The workers have discovered that their unions, rather than representing their interests, are instruments of the state, practicing the speedup systems so hated by free workers. The workers are in an ugly mood and there has been repeated trouble.

3. Russia's collective dictatorship is in the midst of vicious intrigues. It is being discovered that tyranny is indivisible. There can be no one thirty-sixth of a tyrant nor thirty-six thirty-sixths of despotism. Russia now is uneasily governed. Even now, a contest is waging. The Malenkov group is being attacked by a combination headed by Marshal Voroshilov, Foreign Minister Molotov, Marshal Bulganin and the new party boss, Khrushchev. The Malenkov group is fighting back. So far it is a guerrilla struggle. Each group attacks the aides, supporter, and proteges of the other. The Great Russian sneers at the "little" Russian. They purged the Ukrainian Government. Khrushchev and his lieutenant, Kirichanko, have flown their colors by wearing the national Ukrainian shirt. This may seem childish by western standards, but the challenge has been thrown and has been accepted.

4. The climate in the satellites is stormy. No longer does Russia trust satellite armed forces. Russian officers are being assigned to command satellite forces down to regimental level. The noted defections from the Polish Air Force and other attempts to escape, never publicized, have caused Poland's overlords to ground the entire Polish Air Force on more than one occasion. Escapes from Polish ships have caused Russia to place guards aboard these ships, so many of which carry arms to Communist China.

5. Soviet Russia's massive force of security troops is not large enough to cope with the growing, flaming resistance. Even the loyalty of some of the security officers is doubted as a search for pro-Beria officers continues.

Communist Russia is preparing for a general war.

During preparations, and to gain time to put its own house in order, Moscow proposes a truce, a peaceful "coexistence." While proposals for "peace" are being offered, a new trust is operating, new acts of sabotage are being committed and attempts are being made to take over control of small governments all over the world.

To drop our military guard would be fatal. To improve our intelligence services is essential. To react to Soviet subversion is necessary.

Communist Russia and Communist satellites are in a ferment and Russian leaders are conducting a private war among themselves.

Voices from the lands of our allies attack the United States for even the small initiative it has shown. But lack of initiative has given them, and us, defeat

after defeat. The number of our potential allies is greater within the Soviet orbit than without.

We are engaged in a limited war not of our choosing. If we lose the half war, we lose everything. If we win the half war, we stand our best chance of preventing a total war.

Without sponsoring open rebellion in the Soviet orbit (though Russia does sponsor rebellion in ours), it is probable that the Red regime could be neutralized and might be overthrown.

An open hearing is not the place to discuss possible ways and means of achieving the aims to which I have alluded. Nor am I the one most qualified to do so. But someone should.

If we don't win the half war, we will surrender to the Communist will or eventually will be forced to fight a total war.

The CHAIRMAN. You may now proceed.

Mr. ARENS. Colonel, will you kindly recite a word of your personal background and personal history with particular emphasis to the experience which you have had in intelligence work?

Mr. AMOSS. In 1942, the early part of 1942, I joined the then Office of the Coordinator of Information, which later became the Office of Strategic Services, under General Donovan. My initial responsibility was intelligence, secret intelligence, from eastern Europe. In January of 1943 I was transferred to Egypt, where I was deputy for secret intelligence, sabotage, guerrilla warfare, psychological warfare, in the theater that ran from Italy to India and from Poland to Ethiopia.

In 1944 I was taken by General Brereton, who was the then theater commander of the Middle East and commanding General of the Ninth Air Force, to England where the Ninth Air Force was scheduled to give tactical support for the invasion of Normandy.

I served him in a capacity as Deputy Chief of Staff with special responsibilities for special intelligence and a number of other activities, which I have detailed in this paper.

In 1946 I was separated from the services and organized the first foundation, because it seemed to me that, in effect, citizens of the United States needed more information than they were getting about plans, particularly of potential enemy countries, before those plans could become events.

Mr. ARENS. And you publish certain literature from time to time in which you set forth on the basis of the intelligence reports which you receive in the worldwide network of international services, information respecting the plans and strategy and tactics of the Soviets, is that correct?

Mr. AMOSS. That is right, sir.

Mr. ARENS. Colonel, may I respectfully suggest that you proceed now to speak extemporaneously on the various items which you have detailed in your prepared statement?

Mr. AMOSS. Perhaps the most operative thing that happened to me during World War II was the incident of a small task force that I commanded raiding several houses in a French village near Chantilly to look for traces of German saboteurs who had been left behind in that area. These chaps brought back a series of papers that had been left behind by a French Communist militant underground group.

In those papers we discovered that there had been orders issued by direction of Moscow for French militant Communist groups to attack our rear, our supply, try to cut our communications in the event that American forces reached and crossed the Rhine before Soviet forces

were in a position to contest further advance. There were a number of other items in these papers that were electrifying to us. They suggested in that event that there should be assassination of certain American general officers, and one thing that interested us was that one of the papers was signed by Maurice Thorez, who had deserted the French army and who had taken refuge in Moscow and was giving orders to French forces in the interior.

There was another item that seemed to me to be important and that was the fact that members of the Communist underground in France were instructed as far as possible to apply for instruction and training in postwar military schools attempting to reach the grade of commandant or major, because the paper went on to say that this grade could control the French Army.

It then occurred to me, and I had no reason to change my mind, that world war III had begun before World War II had been won. I have noticed discussions in the public press and heard it on the radio, certain people have from time to time suggested that we should fight a war to prevent world war III. But it is too late to do that, because we already have it.

In my opinion, the only thing that can be done as far as world war III is concerned is to surrender to the limited war which is now going on, or to fight that limited war and win that limited war, or we will face a total, all-out world war III.

Mr. ARENS. Colonel, on the basis of the intelligence reports which you receive from the worldwide network established by your foundation, would you kindly address yourself to the subject of the present military strategy of the Soviets?

Mr. AMOSS. Until comparatively recently, Soviet military strategy in my opinion has been based on the possession of a huge land mass and the use of massed armies. Before the Soviets, the Russian navy, has been principally the defense of the sea flanks of the land armies.

Stalin before his death had followed pretty much the theory of Mackinder, who spoke of the heartland of Europe and said back as early as 1900 that he who controlled Russia and possibly Germany could control the world.

But it seems to me that the Soviet General Staff must have taken some note of the war in Korea, where the North Korean and Chinese massed armies faced sea-supplied South Korean and American Armies.

It is from about that time that we have noticed steady acceleration in the building of naval vessels for Soviet Russia. The thing that is interesting to me in observing this thing is that Admiral Doenitz advised Hitler not to start World War II until he had at least 300 submarines of battle quality in being. At the time Hitler started World War II they were able to put to sea only from 8 to 9 submarines at a time. Yet, during the early part of World War II they nearly starved the British Isles with that small pack of submarines.

Further than that, apparently Soviet Russia has gone into the building of very modern submarines, the snorkel, the hydrogen-peroxide-powered submarine, and I understand, though I am not competent to pass judgment on this thing, that ordinary radar, undersea radar, is ineffective against this. We believe that Russia has approximately 300 snorkel submarines in being.

From evidence that some of my informants have given me, we are certain that some of these submarines are roaming in the free seas. We have presumptive, but not completely established, evidence that the Ninth and I think it was the Seventh and Eighth Antarctic Whaling Expeditions of Russia have taken submarines, submarine crews and base crews, to the Antarctic. If it is true, as we believe, that Soviet Russia has now changed the direction of her strategy from east to west to north to south, it is an important point to be examined by countries' intelligence agencies, because if the Panama Canal is shot out, the submarine bases down in the Antarctic and perhaps clandestine bases in South America could interdict our free communication between the seas.

Mr. ARENS. Do you have any observations to make, Colonel, with respect to the attempt of the Soviets to encircle the United States from the standpoint of bases for operation?

Mr. AMOSS. Yes, sir. It has always seemed to me to be an almost amusing thing, that according to Soviet propaganda, she is being encircled by capitalistic countries. In the first place, it depends upon which projection of a map you look at. On the Mercator projection, perhaps they could interpret a slight encirclement. But if you take a globe instead of a flat map the question comes up as to who is encircling whom. A thing that has appeared to me to be operatively very important is the attempts being made by Soviet agents in a great number of countries, in Guatemala, British Guiana, the Gold Coast of Africa and Nigeria, which of course are just across the sea from Guiana.

Mr. ARENS. What is the significance of those penetrations?

Mr. AMOSS. The Soviet agents are attempting to create, through local Communist forces and committees, a penetration of, and taking over of the local governments or the administrative services of these countries.

Mr. ARENS. Why? What is the particular significance of these areas to the world strategy of the Soviets?

Mr. AMOSS. I think you want to carry on that statement, because the same efforts are being made in Kenya, Goa, in Portuguese India, and they have already taken over the great new Communist state of Andhra, India, and we know what they are trying to do in Korea and China.

Following this on the map, you would have a complete encirclement of our sphere. In these areas if there were hidden airfields, secret submarine bases, the United States would be militarily surrounded by very effective packs that would affect a war.

Mr. ARENS. On the basis of the intelligence reports which you received, and which your agency is undertaking to appraise, are the Soviets at the present time engaged in this encirclement process which you have been recounting?

Mr. AMOSS. Yes, sir; they are. And it is active and operative now. There have been two incidents, as has been shown by the press, the British Government moving quickly in British Guiana, and the affair in Guatemala. That one, I think, is rather amusing and very important. The Soviet propaganda machine thundered out accusations that the United States had sponsored, fostered, and pushed this operation. Irrespective of whether there is any truth or not in it, the man in the street in the Soviet orbit took that propaganda, believed it, and it gave him a shot in the arm. There was new prestige.

He said, "At last we see that the United States of America is not allowing our masters to whittle away the perimeters of her safety."

And it gave him some hope that that at least some initiative is being seized by this country.

Mr. ARENS. Is Alaska an anchor point on the offensive of the Soviets to undertake to encircle the United States?

Mr. AMOSS. Yes, sir.

Mr. ARENS. What efforts are being made, on the basis of your information, by the Soviets to evidence designs on Alaska?

Mr. AMOSS. Well, No. 1, the Siberia area bases on Alaska are being heavily armed with long-range guided missiles, but it, of course, is true that initial Russian propaganda sometimes and very often gives a clue to future aims. And there has been, beginning I think in 1951 or 1952, the release of a number of claims to Alaska.

Mr. ARENS. By whom?

Mr. AMOSS. By Soviet lecturers and political academies like the Frunze Academy in Moscow. I have in my files which I did not bring here a lot of copies of their propaganda in their own papers, in their scientific journals, giving the argument that Alaska was virtually stolen. Then I do have one map which shows Alaska reverting to Soviet Russia.

Mr. ARENS. Now, Colonel, may I invite your attention to the information which is in your files, and the intelligence reports which you have received worldwide, with reference to Soviet military preparations in the field of rockets.

Mr. AMOSS. Yes. At the return of three Soviet icebreakers to Murmansk, the crews were given a celebration. One of my informants attended, and he heard these things, that long-range rocket tests have been and are being carried out from different launching sites on the Kola Peninsula for a range of up to 3,105 miles. Soviet rocket engineers, however, claim that they can reach 6,210 miles. My informant said he was told that the most accurate range was 1,250 miles. Rockets used in these tests are improvements on the German 2-stage M-103 and they were developed and perfected at Khimki, near Moscow. There is a thing which I didn't put in the paper which has a little interest. These firings have been going on all winter, and have chopped up the ice formations which have moved out north into the Gulf Stream and have taken all semblance of summer away from Great Britain. It is a fact that in almost every British home fires are lighted, there are fogs. My people are speculating as to the possibility that the ice moving out of these winter-long tests has affected the climate of Great Britain at least temporarily.

Mr. ARENS. Colonel, before we get on to the subject of the intrigues behind the Iron Curtain, which I feel will be very important for you to address the committee on, let me ask you this, on the basis of your background and experience, as an intelligence officer and as a person who, during the late war, had direction of relationships with Allied Governments on underground formations, and on the basis of the information currently available to you through this network, what is your judgment as to how late it is on the Soviet time table for world conquest?

Mr. AMOSS. Well, I think the hand is right at midnight.

Mr. ARENS. Are you conversant, Colonel, with the essence of a resolution which was introduced in the United States Senate by the

Senator from Indiana, Senator Jenner, and the Senator from Nevada, Senator McCarran, calling for the severance of diplomatic relations with the Iron Curtain governments?

Mr. AMOSS. Yes, sir; I am.

Mr. ARENS. What is your appraisal of that course of action?

Mr. AMOSS. Of course diplomacy and statesmanship are out of my sphere, but as an ordinary American citizen, I think it is a good resolution, and one that I, as a common citizen, would support; because I think it is time to recognize these fellows but recognize them for what they are, as enemies of the country.

Mr. ARENS. Now, Colonel, may I invite your attention to the general subject of the intrigues behind the Iron Curtain, and the forces which are contesting for power. I will ask you if you will kindly address the committee on that subject.

Mr. AMOSS. Mr. Arens, would it be appropriate for me to give the classic case of false espionage?

Mr. ARENS. Yes, I think that would be very helpful.

Mr. AMOSS. I think this is important because it is the pattern that Soviet Russia is following again today. I am referring to what they code named the Trust case. As far as I know, this has never been published for the public. It was back in the 1920's, and the affair ran for 7 years. Bolshevik Russia was in grave trouble. There had been revolutionary armies and revolutionary forces. The workers had rioted, the peasants had revolted, even the Soviet Navy had mutinied; and the mutiny had been put down only with great bloodshed. Outside the borders of Bolshevik Russia at that time there were massed great armies of the old Czarist Regime. These armies had been supplied, equipped and trained by European nations. Inside of Russia there was a movement which was spreading, a monarchist movement, an underground movement, tied into the monarchist forces outside of Russia. It was at that time that a man named Yakushev, who had been an old Czarist civil servant, from the lesser nobility, had been suborned into being an agent of the Soviet machine by force of terror. He was sent out of Soviet Russia. He made his first contact with the two grand dukes living in France, and little by little he convinced them that he was a representative of the underground monarchy movement in Russia. He proved his case because he was supplied with documents and military information by the Soviet Secret Police, authentic documents. He was then introduced to the chiefs of the general staffs of the European nations. He told them he could execute any intelligence assignment that they wanted. He started a flow of vital documents, true documents, also given him by the intelligence services of Soviet Russia. He was then taken to the intelligence services of the Allied Nations. He performed the same functions for them. Then, with the help of the Russian forces outside of Russia, and the Allied Governments, he smuggled alleged monarchists outside of Russia into Europe.

Of course, these were Soviet agents. As a turnabout, he offered to take Allied intelligence officers inside Russia where they could see for themselves the strength of the monarchist movement. And he took them in.

Mr. ARENS. This was all apparently a hoax, as I gather?

Mr. AMOSS. This is a complete hoax. He took them in and they met at numerous meetings of people in cellars, and in the woods, who

claimed to be monarchists. In every case they were staged meetings of Soviet agents.

The agents came back, the Western agents came back into the West and reported that the movement was so strong that the regime could not last more than a few more months. He also persuaded the emigré press to quit criticizing the government because he said internal Russia is about to throw off her jailers, but the minute you start to get Western attention they will rally around the Communists.

So, even the Grand Duke Cyril made his public statement that the Soviet Constitution is right and good; it is only necessary to remove the top strata of the Government.

By force of this operation which carried on, as I said, for 7 years, Allied intelligence services canceled all of their networks inside Russia. The names of the real monarchists underground in Russia were given to the secret police and they were all executed.

In my opinion, the Western intelligence services in their Russian sections have not recovered to this day from that disaster. The reason I believe it important to cite this secret history is because today a second trust is operating. We don't know, at least I don't know, who the modern young Yakushev is, but there is a flow of defectors or alleged defectors coming across the lines into the west, and there is two-way traffic.

I am quite convinced that we are having planted on us, in general, a great deal of false intelligence. I know of one group with one of its legs in Paris, where you can go in and ask for a document describing any Soviet political or military or engineering thing, and if you give them a month, pay them a certain amount of money, you can get it, and it will be 95 percent correct. But it will be printed in a Soviet underground press in Paris.

This classic example also shows, as it has between then and now, every time that Soviet Russia is in trouble, every time they have quarrels among themselves, they then start to ask for peaceful coexistence. They have trouble now. There is a quarrel between the members of the Soviet hierarchy. There are more than the usual 12 or 13 members of the politburo now who form the collective dictatorship of Soviet Russia. There are 36. But they are finding out what history has always proven, that tyranny is indivisible. You can't have one thirty-sixth of a tyrant or thirty-six thirty-sixths of a despot. They have to be all or nothing. The Malenkov group is now being attacked by intrigues by another group with Voroshilov—

Mr. ARENS. Who is he?

Mr. AMOSS. Marshall Voroshilov. I have listed the names here of the new intrigue. Molotov, Marshal Bulganin, and Khrushchev who has taken the party leadership away from Malenkov. But it is more than this. The two classes on whose shoulders bolshevism rose to power, the two great classes, are the peasantry and the rank and file of the workers. These are the two classes who are now in underground violent opposition to the regime, because both feel that they have been deluded and cheated.

I read in the paper, I believe it was this morning, that they are now recruiting 9-year-olds and up to try to get in the harvest. The harvest that Soviet Russia boasted of so much last year gave less grain, per capita, than the last year of the Czarist regime. The peasants have

been taken off their small holdings where even with a wooden plow they could eke out a living. They have been put on collective farms where they have to have machinery and there is not enough machinery to go around because the Soviet factories which should be building machinery are building munitions of war.

Mr. ARENS. Are the Soviets preparing for an all-out general war?

Mr. AMOSS. They are. But I want to speak on the question of the alleged blockade or embargo. They have depended on Western European countries to furnish them the agricultural machinery that they need to run the collective farms. As poor as this embargo has been, as violated as it has been, it has created a state of near revolt on the collective farms.

Mr. ARENS. What is the situation on the Beria forces within Soviet Russia?

Mr. AMOSS. On the Beria forces?

Mr. ARENS. Yes, sir.

Mr. AMOSS. It is generally believed in the Georgian Republic that Beria is still alive. Whether he is alive or whether he is dead, a legend has been built up, and a search is being made, and a purge is in constant execution, trying to purge the security forces, mainly of Beria adherents.

I think, and I am pretty sure, that such desertions as you have had in the West are Beria men, and I expect that you will find some other and even more sensational desertions within the next 60 days.

Mr. ARENS. What is the significance of the Soviet proposal for co-existence?

Mr. AMOSS. It is a temporary expedient to gain time.

Mr. ARENS. Why?

Mr. AMOSS. Because with pressures relieved from them, it gives them time to further divide Western Allies, it gives them time to settle their own political differences at the highest level in the Kremlin, it gives them time, and time they must have to quiet the sullen and potentially rebelling masses on the farms and in the factories.

The CHAIRMAN. According to your information, what effect do you think constant trade from our Western Allies with the Soviet Union is having on this entire program?

Mr. AMOSS. Senator Jenner, it is perpetuating a regime which, in my opinion, could be made to fall.

Mr. ARENS. How extensive is the worldwide network of the Soviets, intelligence network?

Mr. AMOSS. It is worldwide. It is not only present; it is everywhere.

Mr. ARENS. How would it compare in actual volume with the intelligence network of the West?

Mr. AMOSS. Well, I would say 100 to 1 would be optimistic from our point of view.

Mr. ARENS. Do the Soviets use their trade missions and international organizations and consuls and embassies as nerve centers for espionage?

Mr. AMOSS. They do. But they use more than that. They use established trading companies. In many capitals they have trading companies which had been set up originally by the Nazi intelligence system, and which still continued existence after the Nazis had lost the war. They have taken over these companies. They are sending travel-

ers, particularly into primitive countries, the Gold Coast of Africa, for example.

The CHAIRMAN. As far as this country is concerned, has your organization revealed any information or evidence that they are infiltrating every phase of American life?

Mr. AMOSS. Senator Jenner, I have made it sort of a practice of mine not to inquire into what is going on in our country, because I conceive my front to be the other side. All that I hear about American activities I hear from enemy mouths on the other side.

The CHAIRMAN. Colonel, for example, this Internal Security Subcommittee of the Senate just the other day had a man before it in public session who was a graduate of an outstanding university of this country, who was a Phi Beta Kappa, and yet today he is a hod carrier in Wheaton, Ill. Of course, when I asked questions in regard to his Communist activities and political beliefs and so forth, he took the fifth amendment. But your organization does not deal with the infiltration into labor unions and various phases of American life?

Mr. AMOSS. No, sir. We stop at the foreign shores. But there is one piece of information we got. We are not able to say whether it was planted on us or whether it is authentic.

I have, of course, turned it over to the operative security agencies of this Government. It lists the names—

The CHAIRMAN. You do cooperate with the various phases of our Government in regard to security of this country?

Mr. AMOSS. What I get I give them. What they do with it, I don't know. How they appraise it, I don't know. But this paper listed 25 American factories to be infiltrated by saboteurs. A curious thing in the listing of these names, all except I think three were secondary industries and not primary industries. That led us into a study overseas with a staff that we have, which is extremely competent, into the meaning of the infiltration and possible sabotage plans for secondary industries.

We believe this paper, and it is a great paper, illustrated by maps and lectures and instructions and so on, we believe it to be a dry run for new agents now being sent to the United States after having been trained at, we believe but cannot establish for sure, Karinhalla, outside of Potsdam, which was the former estate of Goering. We believe that school is operating there and is taking in nationals from the United States as well as from other countries. Certainly it is true if it isn't there it is established somewhere else, and that these American citizens who have been taken to this school are trained and then given another identity and sent back to the United States, not to their own community where they might be identified but to some other community.

We believe that many of the acts of apparent sabotage committed in the United States and certainly the acts committed in the Royal Navy of Great Britain, are tests to see how a mass sabotage program would work out in time of real emergency.

Mr. ARENS. What is the central target of the Soviets? What is their objective?

Mr. AMOSS. They have written it. Their simple target is dominion.

Mr. ARENS. World dominion?

Mr. AMOSS. World dominion. It is written, again and again and is repeated.

Mr. ARENS. Of the eighty-six-odd nations of the world there is only one presently standing in the pathway of that world domination, isn't that correct, Colonel?

Mr. AMOSS. That, sir, is absolutely correct. I would like to add another thing, that such sometimes faltering allies as we have are less numerous than the strong allies that we have inside the Soviet orbit.

Mr. ARENS. Would you elaborate on that point a little bit?

Mr. AMOSS. I believe that Soviet Russia is more vulnerable to subversion than the United States of America. I mean, I—

Mr. ARENS. Why? What makes you reach that conclusion?

Mr. AMOSS. I read and I see the cases of subversion in this country, the subverting of American citizens, penetration of all our installations—incidentally, my information here all comes from the press, none of this is mine—I read about all of this, and in spite of it, even if what we read is doubled or quadrupled, we have back of the Iron Curtain hundreds of millions of people who don't like life as they find it. This is no ideological war as far as they are concerned, it is a question of getting enough food in their stomachs and enough security to be sure that their children are going to be able to be brought up in safety. I have interviewed, I suppose, thousands of people from behind the Iron Curtain. One thing that adds to the discontent in the Soviet orbit is the fact that particularly among the Russians serving the Soviet, venality is widespread, bribery is everywhere. The little town major lives in the best house that he can seize in the town. His wife wears the best furs that they have been able to take, and the fellow who gets along a little better in that town is the man who has paid him. That is true not in one village, but it is true in tens of thousands of villages throughout Russia.

Mr. ARENS. What would be the reaction of that typical person behind the Iron Curtain to a severance of diplomatic relations between the United States and the Soviets and the satellite governments?

Mr. AMOSS. I believe they would appraise that as a piece of realism.

The CHAIRMAN. And give them hope?

Mr. AMOSS. And give them hope. You are not going to destroy hope by recognizing the fact that an enemy is an enemy.

Mr. ARENS. Do you feel that we are definitely now, this instant, at war?

Mr. AMOSS. We are at war and we have been effectively at war since 1944.

The CHAIRMAN. You said it was just about midnight, something to that effect, in response to a previous question as to how late it is on the Soviet timetable for world domination. Why do you reach that conclusion, that it is just about midnight?

Mr. AMOSS. Well, first, military preparations; second, the success of their subversion in whittling away the perimeters of our safety, to which I would say that if there is any more whittling going on they have all the chips, they can call the turns.

The CHAIRMAN. Who has the offensive?

Mr. AMOSS. They have the offensive. It is certainly true in subversion as well as it is true in any military action, that there is no Maginot Line that can ever protect a country—there is no Maginot Line, not even a pretended one in subversion. I think your committee,

I think the FBI, and the security agencies, of the United States are placed under an intolerable burden by allowing them to take the initiative, to choose the time, the place, the weapon, and the method, without reaction in their own backyard. And in carrying on the fiction of friendly relations.

As I said a moment or so ago, they are more vulnerable than we are, but we are not taking advantage of their vulnerability. I said it was midnight because if we don't take advantage of it, and almost right away, they won't be so vulnerable. They will be able to take measures to protect themselves, to eliminate the leaders that are springing up, new leaders. I would like to add one thing there. During World War II, one of the most effective groups of allies we had were the underground systems of Europe. As you know, when a country is occupied, it has as many underground systems as it has major political parties. There are two reasons for that: One, the political party has its organization, it has its ward organization, its precinct organization, its captains. Consequently, it is the only structure that could carry on an underground war.

I would guess that if our country were occupied we would have two underground systems, a Republican one and a Democratic one. There is another reason for the political parties acting in underground systems. That is because each party wants to come back to control.

First they know, the leaders know, if their party has not given effective resistance to an invader, they have not a chance to come back to power. As a consequence, World War II gave us, in the case of Poland, seven major underground parties or organizations. But the Soviet Communists saw that thing operating during World War II, and so they penetrated every European political party. That means that every underground, every large underground system in the Soviet orbit and even outside of it, is completely penetrated. The people inside the orbit know they are penetrated, and they are lying "doggo" because they don't dare move. They do not know who the penetrator is. It is a question of life and death.

But just as nature abhors a vacuum, so does clandestine war abhor a vacuum, and a new phenomenon has sprung up in the Soviet orbit, a phenomenon that I call leaderless resistance. Throughout the entire orbit there are tens of thousands of groups of 5 or 10 people. The groups usually don't grow any larger than that, because no man is quite sure of his neighbor. Every one of these members of these tens of thousands of small groups is eager to perform his own little personal act of apostasy. But nobody gives them any direction as far as I can see.

Mr. ARENS. Colonel, may I just ask you a naive question which I am sure is in the mind of the rank and file of the American people at the crossroads. Do you think we can build peace in the world with the Soviets by sitting down with them at the council table and having agreements, pacts, and understanding?

Mr. AMOSS. There is only one kind of peace that you can build, and that is a resignation of all of your native rights.

Mr. ARENS. Why?

Mr. AMOSS. Because at each conference they pick up something more.

The CHAIRMAN. Would you say that was true of the settlement that was made yesterday on Indochina?

Mr. AMOSS. Absolutely; yes, sir.

Mr. ARENS. Could we trust what they agreed to on the settlement on Indochina?

Mr. AMOSS. You have never been able to trust what they agreed to yet. I think it is entirely a cynical agreement just as all of their agreements have been cynical. I think it was a great victory for the Communist world.

Mr. ARENS. Colonel, are there any other items that you have not covered extemporaneously, at least in highlight? I know your statement is very detailed and thoroughly documented in the record.

Mr. AMOSS. No, sir; I think I have nothing further to add.

The CHAIRMAN. Thank you very much, Colonel, for appearing before us, and we appreciate your testimony.

Mr. AMOSS. Thank you.

Mr. ARENS. Colonel, you have given the staff other material and will be in session with the staff, on other material, in executive session which we understand cannot be revealed publicly.

Mr. AMOSS. Yes; there is material where an indiscreet revelation would cost life and that I think I can only give in executive session.

The CHAIRMAN. That is as to your source of information and so forth?

Mr. AMOSS. Also as to some plans.

The CHAIRMAN. Thank you very much, Colonel.

Mr. ARENS. The next witness is Mr. Samuel Nakasian.

Will you kindly come forward, sir?

The CHAIRMAN. Will you be sworn to testify.

Do you swear the testimony given in this hearing will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. NAKASIAN. I do.

TESTIMONY OF SAMUEL NAKASIAN, APPEARING IN BEHALF OF THE WASHINGTON BOARD OF TRADE, WASHINGTON, D. C.

The CHAIRMAN. Would you give us your full name for our record?

Mr. NAKASIAN. It is Samuel Nakasian.

The CHAIRMAN. And you reside in Washington?

Mr. NAKASIAN. Yes.

The CHAIRMAN. Where?

Mr. NAKASIAN. I reside at 5021 V Street NW., and I have a law office, which lawyers like to mention, at the American Security Building.

The CHAIRMAN. And outside of being in the legal profession, what is your business?

Mr. NAKASIAN. I am in the general practice of law with a considerable emphasis on international trade and foreign investments by American companies.

The CHAIRMAN. Are you associated with any trade organization or any American organization of that type?

Mr. NAKASIAN. I am speaking today, Senator, on behalf of the Washington Board of Trade.

The CHAIRMAN. In what capacity are you associated with the Washington Board of Trade?

Mr. NAKASIAN. I am a member of the world trade committee of the Washington Board of Trade.

Mr. ARENS. May I inquire, Mr. Chairman?

Mr. Nakasian, will you kindly identify the Washington Board of Trade from the standpoint of membership and from the standpoint of concentration of commercial intelligence in that organization?

Mr. NAKASIAN. The Washington Board of Trade has a membership of 6,000. Most of the members are from business, financial, and professional circles. In Washington most of the large corporations are represented by an officer or by a top-level employee. These large corporations do the bulk of America's business abroad.

Mr. ARENS. Would it be safe to say that there is a concentration here of interest in the Washington Board of Trade of the worldwide trade operations?

Mr. NAKASIAN. Very definitely. And channeled through these organizations, these commercial organizations, we do a great deal of intelligence on trade and Soviet tactics in world markets.

Mr. ARENS. I wonder before we proceed further, Mr. Nakasian, if you would kindly at this point give us just a brief résumé of your own personal history with particular emphasis upon the background you had in trade matters in Europe, and with particular emphasis there on your activities in the Middle East.

Mr. NAKASIAN. I was on the staff of the ECA, commencing in 1948, when the Marshall plan operation was launched, and was in that organization for 3 years. I traveled extensively throughout Western Europe and the Middle East. More recently I spent 7 months in Iran, a country which is under the shadow of the Soviet Union.

Mr. ARENS. Could you pause there to give us your appraisal of the situation in the Middle East, from the standpoint of the potential threat of the Soviets?

Mr. NAKASIAN. At this particular time I think that the poverty belt, if I may use that expression, which includes Iran, most of the Middle East, and Pakistan, is especially vulnerable to what I would like to call, if I may use the expression, the new look of the Soviet Union. It is a new look which has been described to us as a consumer goods production program. It has been rationalized here by, I think to a great degree, wishful thinking, that the Soviet Union is shifting from heavy goods production, from the emphasis on heavy goods production into consumer production, in order to satisfy the economic wants of the Russian people.

It is my opinion that these consumer goods, as they are produced, will be used as a weapon of economic expansion abroad, the same as propaganda and fifth-column exports have been used as a Communist weapon in the conquest of foreign areas.

Mr. ARENS. Do the Soviets have an advantage in foreign trade?

Mr. NAKASIAN. The Soviet Union is unencumbered by such details as costs, profits, supply, and demand. The limit of their ability to hit foreign markets for strategic purposes as against what might be called economic purposes of trade, is limited only by the degree of human sacrifice that they can exact from their people.

Programs of production are scheduled, and the amount of that production which is set aside for domestic use is a matter of Kremlin policy. The excess, however much it might be needed at home, can be exported.

Mr. ARENS. In other words, are you saying that there is not necessarily a relationship between the economic benefit to the Soviet Union and its trade policy?

Mr. NAKASIAN. There isn't at all. I think there is a much closer relationship between the Soviet export policy and its political ambitions abroad, a far closer understanding of that.

Mr. ARENS. Can you give us an illustration, and I direct your attention specifically to the area which we have previously discussed, of Iceland?

Mr. NAKASIAN. I would like to say before I answer that question, Mr. Arens, that I have a prepared statement here which is the position of the board of trade on this question.

The CHAIRMAN. That statement may go into our record and become a part of our record. You may proceed to testify.

(The document referred to follows:)

STATEMENT OF SAMUEL NAKASIAN, WASHINGTON BOARD OF TRADE

My name is Samuel Nakasian. I am a practicing attorney and am here today to represent the Washington Board of Trade, an organization of approximately 6,000 business, financial, and professional leaders of Washington. I am a member of the world trade committee of the Washington Board of Trade which has in its membership local representatives of American corporations which do a large portion of American business abroad.

The strategy and tactics of world communism is a subject of very great importance to members of our organization and to American businessmen in general. Last spring the world trade committee of the Washington Board of Trade created a subcommittee to study Soviet export trade, its potential, and the role, if any, it might play in the cold war. As a result of this study, a recommendation was made by the board of trade in a letter to the President of the United States. The board of trade has requested me to offer this letter for inclusion in the record of this hearing.

(Attached letter submitted:)

WASHINGTON BOARD OF TRADE,
Washington, D. C., June 7, 1954.

The PRESIDENT,
The White House,
Washington, D. C.

MY DEAR MR. PRESIDENT: The Washington Board of Trade views with serious concern the evidence that the Soviet bloc may now be exporting products for the principal purpose of undermining the position of private enterprise in free-world markets rather than for the customary purpose of gaining economic benefits from trade.

Free-world markets supplied for the most part by private companies are especially vulnerable to collectivized purchases and sales by totalitarian nations. Such nations may disregard cost and profit considerations with impunity and utilize the economic power of purchases and sales for the achievement of imperialistic objectives.

It appears that socialized exports of Iron Curtain countries are neither restricted nor expanded by such factors as costs or profits; nor directly related to the supply of the product. When it suits their strategic purpose, a product even in short supply may be requisitioned for export and sold or exchanged at a price in world markets which bears no relation to the cost of production. By virtue of totalitarian control, exports can be and reportedly are governed in volume by the degree of subsidy in human sacrifices imposed by the state.

If present signs are understood, the Soviet bloc has discovered that its power to export products regardless of cost is an effective weapon in assaulting the free institutions of the free world through the marketplace. Understandably, in view of their reportedly limited physical plants, this weapon must be used selectively for the time being, aimed at special areas most responsive to the strategic and psychological impact of such trade.

The emergence of exports as an offensive weapon in the cold war raises several questions of public policy. Should private companies be expected to stand alone against competition which is subsidized by human sacrifices imposed

by the totalitarian state? When Iron Curtain countries have moved in, taken over a market from private companies, and later withdraw to strike in another market, is it expected that private companies are to reenter and start again from scratch? Does not the disruption if not the destruction of these private channels of distribution in world markets weaken the facilities for the defense of the free world?

These questions indicate that East-West trade is more than a problem of balancing the benefits in the exchange of products. It seems clear that of equal if not greater importance is the extent to which Soviet bloc exports are being employed to weaken or to destroy American and free-world commercial facilities in world markets.

Our Government's efforts to encourage private investment abroad is also endangered by the above policy concerning strategic exports. The presence of this threat is fatal to the program of encouraging private investment abroad.

In view of these considerations the board of trade recommends that the President consider the appointment of an advisory board to study the problems of Soviet bloc strategic exports to free-world markets and to recommend to the President such remedial action as may be appropriate for insuring the survival of commercial channels of trade in free-world markets.

This recommendation is offered in a spirit of cooperation and service. The Washington Board of Trade holds itself at your service and desires to take this opportunity of expressing confidence in the efforts you are making on behalf of expanding the national economy and world trade.

Very respectfully yours,

(Signed) HARRY L. MERRICK.

Mr. Chairman, the Soviet Union is rapidly getting into a position to wield economic power in the cold war with the West. Large volume exports and imports manipulated under totalitarian control provide the Kremlin with a powerful weapon in competing for the favor of border and strategically situated states. Strategic trade is also a powerful Soviet weapon for undermining the portion of private corporations operating in free world markets and thereby weakening the facilities for the defense of the free world. Private corporations are no match for Soviet competition but, I venture to say with confidence, if an adequate United States program were established, American enterprise would be equal to the task of meeting the challenge of Soviet raids on free world markets.

The recommendation made to the President by the Washington Board of Trade recognizes the importance of this Soviet economic threat. The problem is complex. It involves our relations with our allies, the role of American companies abroad, and a host of ancillary but vital questions which ought to be explained. These questions are preliminary to the formulation of a sound United States policy and program of meeting the Soviet trade threat in free world markets. Obviously this recommendation is very broadly stated which we believe might be expected since the Washington Board of Trade has not the resources nor the facilities at its command to enable it to get full information as to detail which would be necessary to the formulation of sound policy recommendations respecting specific aspects of the problem.

Mr. NAKASIAN. I would like to say that I am speaking beyond this statement, but consistent with it. In speaking beyond this statement I am speaking as a matter of personal opinion and from personal experience and I am not committing the board of trade to responses which I make to your questions, which they have not yet considered fully.

Mr. ARENS. In response to this line of inquiry which we were pursuing a few moments ago, may I invite your attention to the trade arrangements between the Soviets and Iceland and ask you to address yourself to that situation?

Mr. NAKASIAN. Yes.

Well, at the moment the Russians have a commodity which they find that they can export with great strategic profit, and that commodity is petroleum. Petroleum is a unique product in that it sells for dollars or for sterling in the world markets. Many countries of the world are short on both sterling and dollars. Iceland happens to be one of those countries. But Iceland is not short on fish.

The Soviets, in the last year, have made a barter agreement with Iceland shipping petroleum for fish. This agreement falls somewhat short of an economic transaction, because I don't think that Iceland's fish is of that much importance to the Soviet. But nevertheless the Soviet takes Iceland's fish because Iceland apparently cannot find anybody in the world to pay hard currency for that fish.

Mr. ARENS. Tell us why they do that. What is the basic underlying reason for this arrangement?

Mr. NAKASIAN. Well, if you ask this question in the context of the Soviet strategic policy, it falls very consistently in line that Iceland is a place where they would take fish in return for oil. Iceland is a very strategic country from a military standpoint of the United States and the West.

Mr. ARENS. We have military bases there, do we not?

Mr. NAKASIAN. We have very substantial military bases there which are fed with petroleum, and it is not enough that the Soviets merely supply the petroleum at the price of fish, but it also gives them an opportunity to get their petroleum into the consuming mechanisms. There is a danger that in the event of a catastrophe, at a time the Soviets could pick, that oil could be doctored in such a way as to sabotage that equipment and facilities.

Mr. ARENS. In passing, may I ask you this: Do you have information as to whether or not any of that oil which is being shipped into Iceland from the Soviets is actually being utilized at our bases by our forces?

Mr. NAKASIAN. I have no knowledge of that. I would say that—the general policy is that the armed services petroleum procurement agency procures the petroleum for all of our military uses. Whether they dip into local stocks at all, I don't know. But I am sure that there are many ancillary facets, such as power stations and so on, which would be served by these Soviet imports.

Mr. ARENS. Are you suggesting the possibility, at least, that in the event of armed conflict, the Soviets could so adulterate the oil as to make it useless, to sabotage the operations in Iceland?

Mr. NAKASIAN. I am advised by technical people that that could be done very easily, and it would be rather difficult to detect, unless you established an elaborate testing mechanism.

Mr. ARENS. What effect does this arrangement between the Soviet and the Government of Iceland have on the markets between the United States and Iceland, aside from the Soviet potential for sabotage or espionage?

Mr. NAKASIAN. Well, I don't think that the Iceland petroleum market is of any great importance as far as volume is concerned to the American countries that had served it. But I think it is important as an indication of things to come. This isn't the only country that the Soviets have raided in this way. Denmark is another country which has a surplus of products which the Russians are prepared to take, namely butter, and all of the output of Danish butter available for export cannot be sold for dollars and sterling.

Consequently, the Danes are anxious to get rid of it, and particularly get rid of it for a dollar import commodity, such as petroleum, which they would otherwise have to pay dollars or sterling for.

Mr. ARENS. Do you see any significance in the fact that the Soviets are exporting a consumer goods, a finished product, such as petroleum products?

Mr. NAKASIAN. Well, there is a threat, and I use this term advisedly, because I don't think it has by any means reached its full potential.

Getting back to what I said earlier, the emphasis which the Soviet Union is now putting on the production of consumer goods, I think is designed to get an export of consumer goods into not so much Western Europe, but into the poverty belt, into that southern area south of Russia, particularly the Middle East. I was there for 7 months.

The poverty of the mass of people in the Middle East is beyond all description to an American. I just couldn't describe the conditions, and it is not a warm area. It is warm in the summer but frightfully cold in the winter. There is no food and no clothes. How these people survive, I don't know. These people are vulnerable to any Soviet move to bring in consumer goods. It is just an elementary thing.

Mr. ARENS. What do you mean by vulnerable?

Mr. NAKASIAN. I think these people would kiss the hand that would feed them and clothe them, and the ideology would not embarrass them at all. The ideology of the donor of the goods would not embarrass them at all. As a matter of fact, it makes very little difference what the political beliefs and precepts of a benefactor is to these people.

The CHAIRMAN. Under that policy of feeding and clothing, you know this Government has been rather generous to various nations of the world. You were connected with ECA and you know that to be a fact. It runs into the billions of dollars that we have given to our friends and allies all over the world. Do you think they are kissing our hand today, or are they kicking us?

Mr. NAKASIAN. I think there is some question about how grateful they are, Senator. I think that the aid, however, which we have given them has been compensated primarily in Western Europe.

There has been practically—there has been an infinitesimal amount of aid that has been given to the really impoverished areas that I speak of, of the Middle East: Pakistan, Iran, Iraq.

Mr. ARENS. What significance do those countries have from a military standpoint to our Nation?

Mr. NAKASIAN. I think this is a more critical area than the area which seems to occupy most of our minds, namely Western Europe.

Mr. ARENS. Why?

Mr. NAKASIAN. Well, the Middle East is a vulnerable area, the Middle East could get away from us. It lies right on the periphery of the Soviet Union. The Soviet Union has a long-term ambition of getting into the Persian Gulf. At this particular time three-quarters of the world reserves of oil are in the Middle East, on which the free world is completely dependent now, as against a few years ago when the Middle East was merely a marginal supplier of oil. The Russians have a twofold purpose of getting that area. I think a consumer goods export program on the part of the Russians could turn that area of the world against us.

Mr. ARENS. Has our diplomacy in your opinion been designed to cement the friendship of the Arab States or to isolate the friendship of the Arab States?

Mr. NAKASIAN. Well, there is more than the Arab States involved.

Mr. ARENS. Well, principally the Arab States.

Mr. NAKASIAN. Actually Iran and Pakistan are outside the Arab States.

Mr. ARENS. Let's put it as the Middle East States, then.

Mr. NAKASIAN. I think that the efforts that have recently been made to cement relations between the United States and Pakistan is a very favorable development. I think that there was some promise of a development of better conditions in Iran, and there may be some hope of better conditions in Iraq. But this is where the fight is going to be, as I see it, because the Soviet impact in that area can come through the pinpointing of exports. I think they have just about run their course on export of propaganda and fifth columns. I think they have to support it with something new, and I think they will support it with consumer goods.

Mr. ARENS. Do you think that their trade offensive is actually designed to destroy world markets of the United States?

Mr. NAKASIAN. Well, it has that effect. You cannot make a broad statement on this point because Soviet exports have not yet reached the volume with which they can cross the free world market, and go in and undermine them and wreck them. But the Soviets don't trade on any broad basis, they trade on a specialized basis. They can pick the area that they want. They can hit this one this year and they can hit that one next year. They are necessarily committed to a strengthened export policy for the reason that their plants and facilities are not yet developed to the point where they can broadcast their efforts.

Mr. ARENS. Do you actually, on the basis of your observations and study, and travel, background and experience, feel that the Soviet trade offensive is an assault against the free institutions of the West, via the market place?

Mr. NAKASIAN. I definitely do. I think it is in the threat stage. I think we have not yet fully geared ourselves and prepared ourselves to deal with it, as we have recommended, as the board of trade has recommended, to the President of the United States, that an advisory committee be set up to go into this problem and decide what can be done about it.

Mr. ARENS. You have a copy of your letter to the President in the statement?

Mr. NAKASIAN. Yes; it is in the statement. As it stands now, there are two economic blocs: The Soviet economic bloc and the Western economic bloc. The Soviets have an integrated one; ours is not so integrated. The western bloc is cut up into dollar trading areas, sterling trading areas, Soviet currency trading areas, and the exports of one country which are important to that country and which are needed by another country, do not get exchange because the importing country probably doesn't have the currency that the exporting country wants. It is for that reason that Denmark, which is certainly not a pro-Communist country, finds itself in a position of having to deal with the Russians in order to get rid of the butter.

That butter could just as well be used in another part of the free world. But we don't have a mechanism for multilateral trading within the free world economic bloc, which will keep the Soviets from raiding our own sphere of economics.

Mr. ARENS. Do you have any other points, Mr. Nakasian, that you want to bring to the attention of the committee today, in addition to what is in your prepared statement?

Mr. NAKASIAN. Only to emphasize that we ought to get prepared to deal with the Soviet world strategy as something more than a military propaganda and fifth column threat. I think we are now approaching a new area of Soviet economic penetration.

Mr. ARENS. To what extent is our Nation economically dependent upon foreign trade as distinct from internal transactions?

Mr. NAKASIAN. Well, in the narrow sense, you can say that we are not so terribly dependent upon it. The borders of the United States have gone well beyond the shores of the Atlantic and the Pacific. I think that the United States, as the powerful, economic nation in the free world, is now dependent on keeping the markets of the free world in a healthy condition; and if these markets collapse, we not only lose political and military strength, but we also suffer economically as well, because we are dependent, increasingly dependent, on foreign raw materials, and to a large extent on foreign markets for our manufactured goods.

Mr. ARENS. Do you see on the horizon an increasing potential of this Soviet trade offensive? Do you feel it has a prospect of slackening off, or only holding its own?

Mr. NAKASIAN. I see the Soviet trade offensive increasing in magnitude. I think, to give you an example, petroleum exports in 1948, the Soviet Union exported about 100,000 tons of oil. This year they will be exporting close to 5 million tons of oil. At other times they export grain, even though their people may be starving. This year they are not exporting so much grain. But they can choose the commodity. They can choose the market.

Mr. ARENS. Don't you fear, Mr. Nakasian—this is just a little beyond your realm, as an economist—don't you fear the threat of the Soviets integrating nations in their political orbit with whom they have economic trade agreements, that the integration in this political orbit would only be a second step after an integration of the economic ties?

Mr. NAKASIAN. I very definitely feel that there is a byproduct of political affinity which results from economic trade. I was in London at the time that the trade agreement, just this last spring, at the time the British trade agreement was announced with the Soviets. The newspapers were singing the praises of the Soviets, the newspapers in London. I think it is just inescapable.

The CHAIRMAN. Thank you very much.

We will stand in recess.

(Whereupon, at 11:53 a. m., the committee was recessed subject to call.)

9335-2-193

STRATEGY AND TACTICS OF WORLD COMMUNISM

HEARINGS

BEFORE THE

SUBCOMMITTEE TO INVESTIGATE THE
ADMINISTRATION OF THE INTERNAL SECURITY
ACT AND OTHER INTERNAL SECURITY LAWS

OF THE

COMMITTEE ON THE JUDICIARY

UNITED STATES SENATE

EIGHTY-THIRD CONGRESS

SECOND SESSION

ON

STRATEGY AND TACTICS OF WORLD COMMUNISM

JULY 29 AND SEPTEMBER 22, 1954

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TASK FORCE INVESTIGATING THE STRATEGY AND TACTICS OF WORLD COMMUNISM

WILLIAM E. JENNER, Indiana, *Chairman*

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¹The late Honorable Pat McCarran, while a member of this committee, died September 28, 1954.

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STRATEGY AND TACTICS OF WORLD COMMUNISM

THURSDAY, JULY 29, 1954

UNITED STATES SENATE,
SUBCOMMITTEE TO INVESTIGATE THE ADMINISTRATION
OF THE INTERNAL SECURITY ACT AND OTHER INTERNAL
SECURITY LAWS OF THE COMMITTEE ON THE JUDICIARY,
Washington, D. C.

The subcommittee met at 10:30 a. m., pursuant to call, in room 457, Senate Office Building, Hon. William E. Jenner presiding.

Present: Senators Jenner (presiding) and Welker.

Also present: Richard Arens, special counsel; and Frank W. Schroeder and Edward R. Duffy, professional staff members.

Chairman JENNER. The committee will come to order.

Call the first witness.

Mr. ARENS. The first witness, Mr. Chairman, is Mr. Grigoriy Petrovich Klimov.

Chairman JENNER. Do you swear that the testimony you will give in this hearing will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. KLIMOV. I do.

Chairman JENNER. You are here this morning with an interpreter.

Will you be sworn to testify? Do you swear that the testimony given in this hearing will be truly interpreted?

Mr. SEREBRENNIKOV. I do.

Chairman JENNER. Will you state your full name?

TESTIMONY OF GRIGORIY PETROVICH KLIMOV, MUNICH, GERMANY, THROUGH INTERPRETER, E. S. SEREBRENNIKOV

Mr. KLIMOV. Grigoriy Petrovich Klimov.

Chairman JENNER. Where do you reside?

Mr. KLIMOV. Munich, Germany.

Chairman JENNER. What is your business or profession?

Mr. KLIMOV. A writer and journalist.

Chairman JENNER. How long have you been in this country?

Mr. KLIMOV. Three weeks.

Chairman JENNER. Where do you come from?

Mr. KLIMOV. From Munich.

Chairman JENNER. Munich, Germany?

Mr. KLIMOV. Yes.

Chairman JENNER. Are you a resident of Germany?

Mr. KLIMOV. Yes.

Chairman JENNER. How long have you resided in Germany?

Mr. KLIMOV. Since 1947.

Chairman JENNER. Where did you reside prior to that?

Mr. KLIMOV. In Berlin, in the Soviet side; the headquarters of the Soviet military administration in Karlhorst, in Germany.

Chairman JENNER. Where did you reside prior to that time?

Mr. KLIMOV. In the city of Novochoerkassk.

Chairman JENNER. How long did you reside there?

Mr. KLIMOV. From 1918 to 1941.

Chairman JENNER. Where were you born?

Mr. KLIMOV. In Novochoerkassk.

Chairman JENNER. When?

Mr. KLIMOV. Twenty-sixth of September 1918.

Chairman JENNER. In other words, you lived where you were born up until you made this last move?

Mr. KLIMOV. Yes.

Chairman JENNER. Are you a married man?

Mr. KLIMOV. A single one.

Chairman JENNER. Have you ever been married?

Mr. KLIMOV. No.

Chairman JENNER. You may proceed with the questioning.

Mr. ARENS. You have a prepared statement which you have submitted for incorporation in the record of the Internal Security Subcommittee of the Senate; is that correct?

Mr. KLIMOV. Yes.

Mr. ARENS. I respectfully suggest that this prepared statement of Mr. Klimov be incorporated in the record at this point and that he now proceed extemporaneously.

Chairman JENNER. It may go into the record and become a part of it.

(The statement referred to follows:)

STATEMENT OF GRIGORIY PETROVICH KLIMOV

PERSONAL HISTORY

I, Grigoriy Petrovich Klimov, was born in Novochoerkassk, in northern Caucasus, on September 26, 1918. My father was a medical doctor, and my mother a nurse. From 1926 to 1936 I studied in the 10-year school from which I was graduated. From 1936 to 1941 I studied in the Industrial Institute in Ordzhonikidze, and graduated in 1941 with a diploma in electrical engineering. I worked as engineer-constructor in plant No. 645 in Gor'kiy from 1941 to 1943. In 1943, I was mobilized in the Red Army and fought in the Leningrad sector of the front. I was wounded, and upon leaving the hospital I was sent to the Special Reserve Officer Regiment No. 96 (OPROS 96). In the summer of 1944, I was assigned to the Red Army Military Institute of Foreign Languages, where I was admitted to the last grade of the German faculty because of my knowledge of German. Upon graduating from the institute, in June 1945, and being a German-speaking engineer, I was sent to the main headquarters of the Soviet occupation troops in Germany, SVAG in Berlin-Karlhorst. From June 1945 to February 1946 I worked as economic adviser of General Shabalin, chief of the economic administration in the SVAG. Following the reorganization of the economic administration in February 1946 I was transferred to the industrial administration of the SVAG, headed by A. Aleksandrov, where I occupied the position of chief engineer for electrical industry until February 1947.

After being demobilized and sent back to the Ministry of Electrical Industry in Moscow, I decided to break away from the Soviet regime, and to flee West. My demobilization and the transfer to Moscow were due to the fact that, although I was an officer and an engineer, I was not a party member. After the war all SVAG employees were thoroughly investigated for political reliability. About 20 percent were deemed politically unreliable and were sent back to Moscow. I was one of them.

In February 1947 I crossed the border into the American zone of Germany where, after being checked, I was granted political asylum. Since then, I lived first in Stuttgart, and then in Munich, where I worked as journalist, and wrote the book, *The Berlin Kremlin*, about my work in the SVAG. The book was published in Russian, German, French, and English (the English title is *The Machine of Terror*).

In 1952, I started to publish the magazine *Svoboda* (Freedom), in cooperation with a group of postwar emigres from the U. S. S. R. In 1952 we organized the Central Union of Postwar Emigres from the U. S. S. R. (TsOPE), with the magazine *Svoboda* as its official publication. TsOPE carried on active anti-Communist work beyond the Iron Curtain, through pamphlets and radio broadcasts.

The purpose of my visit to the United States is to organize the work of the TsOPE members here, in order to increase the anti-Communist struggle beyond the Iron Curtain; it is also to reestablish contacts with the United States public circles in order to get their support for our work, and to present them our goals and problems in the struggle against communism. Moreover, we also seek the support of the United States public and of the United States Program for the Support of Emigres (USEP) in order to improve the social conditions of the postwar emigres from the U. S. S. R.

I do not want to repeat the well-known truisms regarding the Communist system, and I shall merely stress a few facts I know, which confirm the aggressiveness aiming at the world domination by the Communists.

In surveying the Soviet policies toward Americans, of the period which followed immediately the end of the war, the most striking facts are related to the attitude of the Soviet representatives in the Allied Control Commission in Berlin. My chief, General Shabalin, equally represented the Soviets in the Economic Management of the Control Commission. His colleagues were General Draper for the United States, Sir Percy Mills for the United Kingdom, and General Sergeant for France. From the first day of the commission's work, General Shabalin applied all the means available to sabotage the operations of the Economic Management, whose primary assignment was to implement the Plan for the Economic Demilitarization of Germany which was adopted at the Potsdam Conference. The purpose of this sabotage by the Soviets was to slow down and to delay the implementation of the plan which aimed at either the destruction or at the demilitarization of the German war industry. In fact, the Soviets were not interested in the destruction of the German war industry, but rather in its transfer to the U. S. S. R. This was what they actually achieved.

While General Shabalin applied all his skill to delay the application of the demilitarization plan signed in Potsdam by Stalin, the Soviet dismantling teams, from May 1945 to March 1946, took apart and shipped to the U. S. S. R. practically all the military, semimilitary, and basic industries of the Soviet zone of Germany. This was done in spite of the demilitarization plan providing that all the war industry was to be destroyed on the spot. General Shabalin followed direct orders from the Kremlin, with which he was connected by telephone and from which he received his daily instructions. Thus, immediately after the end of the war, the U. S. S. R. set the increase of its own war potentialities as its main task. In the meantime, everybody, including Soviet officers of the Control Commission, knew that the United States demobilized completely both their army and their industry.

Simultaneously the Soviets were busily occupied with economic espionage in the American occupational zone of Germany. I know of a case when Major Filin officially a worker in the editorial offices of *Taegliche Randschau*, and unofficially an officer of Soviet economic intelligence, handed over to General Shabalin for his use a file of secret material on German economy. This file, which was handed over to me for processing, contained materials of the (Imperial (?)) Reich Institute of Economic Statistics, which reached Soviet hands through unofficial ways, i. e., through Soviet agents, from the headquarters of the American economic intelligence (it seems that this is in Heidelberg). Since I was familiar with the signature stamps affixed to the Soviet and American secret and unclassified documents, which I learned through my work with the documents passing through the control council, it was perfectly obvious for me that these documents could have gotten into Soviet hands only through undercover ways, i. e., through Soviet agents in the American Army. Such documents were regularly received in the economic administration of the SVAG, I knew of it, but they all passed not through my hands, but through the secret section of the SVAG.

At that time the American side, basing itself on the Potsdam agreement, regularly and carefully transmitted to the Soviet side through the Allied Control Commission official economic information about everything which the Americans considered worthy of attention in their zone of Germany. This information was honest and conscientious; it was very useful to the Soviets, and we, the Soviet economic officers, often wondered at the naivete of the Americans, since the Soviet side either did not give the Americans similar information on the Soviet zone at all, using silly excuses, like shortage of typists and so on, or gave them deliberately incomplete and distorted information.

Besides the dismantling of German war industries for the purpose of increasing their own war potentials, the Soviets gave especial attention to the utilization of German scientists, working on military research and inventions. The chief of the science and technical section of the SVAG was Colonel Kondakov, whose tasks included the bringing out of resolutions on such questions. I will give one separate example.

In June 1946 Colonel Kondakov asked me to accompany him to Potsdam, where he was to question a German scientist held under arrest by the MVD. The story follows:

"The German scientist, whose name I was never given, worked during the last years of the war with other scientists on the construction of rockets, directed by remote control, and destined for fighting enemy planes. This work was not completed by the end of the war. Therefore, after the end of the war, this German, who lived in the French Zone of occupation applied to the French occupational authorities for assistance in completing his work, and in exchange he offered his invention to the French Government for their use. The Soviet Communist network in the French occupational armies instead notified the respective Soviet organs of the matter. As a result, the scientist was kidnapped by the Soviet secret police, and had been held for several months in the investigation jail of the Potsdam MVD. They tried here to force the German to work for the Soviets, but he insisted that in order to continue his work he needs all his drawings and figures, which are in the hands of his fellow workers in the French Zone, and therefore he requested permission to take a trip to the French Zone in order to obtain these drawings. The Soviets could not agree to this, since they did not believe that he would come back. Therefore, the Soviets tried to force him to resume his work, while the German insisted that this work was the result of research by an entire group of scientists over a period of several years. Therefore, he was actually unable to resume his work. The Soviets decided that this was sabotage. Colonel Kondakov had to make a decision on this affair. As a result the German was to be sent under guard to work on the Soviet scientific research station of Peenemünde, where the German and Soviet scientists continued research work on improvements of the rocket-type missiles of the type of the German V1, V2, etc."

On the same day Colonel Kondakov conducted the questioning of another German scientist, who had also been kidnapped by the MVD from the Western Zone of Germany. This was a specialist in low-voltage technique, who was working on the invention of a peculiar apparatus of the radar type. Colonel Kondakov ordered to have him sent under guard for work in the scientific research Soviet base in Arnstadt, where Colonel Vasil'yev was chief. On the same day Colonel Vasil'yev received for his decision a number of scientific research subjects and materials pertaining to war, which were carried out by various German scientists residing in the Western Zones of Germany. All this material was received through the channels of the German Communist Party in Western Germany or through the Soviet network in the Soviet occupational armies. This shows the extent of the interest of the Soviet Government in war research of German scientists. It is therefore clear that the thoughts of the Soviet Government were directed toward preparation for war.

Since the very beginning of the Soviet occupation of Eastern Germany, the Soviets were not convinced that they would be able to stay in Germany for a long time. Out of this premise, their economic policy aimed at dismantling and taking out of Germany in the shortest possible time everything which had any value at all as a military or economic potential. During 1945-46 the Soviets dismantled everything, even things which they would have urgently needed in the near future if they thought at that time of staying in Germany for any length of time. Therefore, in 1947, when the Soviets became convinced that they could stay in Germany in the future, they were forced to rebuild with German labor, time and again, the enterprises which they had dismantled in 1945. These enterprises turned out to be essential for the Soviets for satisfying

requirements of the Soviet occupational forces in Germany and for the supply of products to the Soviet Union as reparations. Had the Soviets from the very beginning thought of staying in Germany for a lengthy time, they would never have taken apart the enterprises, which later proved to be essential for supplying the needs of their own occupational forces and for reparations.

How can one explain this uncertainty of the Soviets that they would be able to establish themselves in Germany for a lengthy time? The Soviets approached the question from the angle of their own ideology: The one who is strong dominates the situation. At that time Soviet Armies were thoroughly exhausted, while the American Armies had only just reached their normal battle strength. If the American Armed Forces had been controlled by a dictatorship, a simple ultimatum would have sufficed, and the Soviet Armies would have been forced to clear out not only of Eastern Germany, but of the whole of Eastern Europe. Reasoning from their own ideology the Soviets considered this possibility and tried to get out of Germany everything they needed.

At that time the Soviets carried out a policy of bluffing. On one hand they behaved provocatively in the Allied Control Commission and demanded maximum concessions from the Western Allies, and in general the maximum of everything in the field of politics and economics. On the other hand, they considered the possibility that the West might not agree to these demands and make some demands of its own—including the evacuation of Soviet Armies of occupation from Eastern Germany. And the Soviets seriously considered this eventuality. This can be clearly seen from the fact that during the first year of occupation the Soviets applied themselves practically only to the dismantling, all the other changes in principles of economic and political structure of Eastern Germany were begun by the Soviets considerably later.

I arrived at this conclusion from the reading of many official documents which passed through the private office of the chief of Economic Administration of the SVAG, where I was employed, and also from the personal directives, orders, and words of General Shabalin.

The Soviet occupational forces did not feel sure of their position in Germany, and this was especially noticeable at headquarters; this is confirmed by the fact, the simple human fact that many of the officers who had their families, wives, and children, with them, always kept an emergency reserve of gasoline in their cellars. This emergency reserve which was kept in the cellar of the home of almost every officer having a family, consisted of 20 or 30 cans of gasoline, and was kept for the eventuality that they may have to retreat from Germany in a disorderly manner, more plainly—to flee under bombardments from the front and from the rear, as happened to the Soviet military in the Baltic area during the first days of the 1941 war. The Soviet officers in Karlshorst knew how provocative and insolent was the policy conducted by the Soviets in the Allied Control Commission. They also considered the strength of the Western side and acknowledged the possibility of military actions on the part of the Americans, including the possibility of war. When, early in 1946, the Soviet military authorities forbade any contacts of the Soviet military with the Western Allies and introduced restrictions bordering on wartime restrictions, this served as further proof for the Soviet officers that war was possible.

This is the difference between the psychology of the Soviets and the psychology of the West.

One year after the end of the war, when the Soviets realized that the West was giving in to them in everything and that it was possible for them to establish themselves in Germany for a long time, the Soviets began working on reforms of a long-range nature, which would guarantee to them economic and political domination of the country for a long time. This was the plan for the enslavement of Germany.

The economic enslavement of Germany was chiefly carried out by two measures: (a) The agrarian reform, and (b) the socialization of industry. Let us take a look at both measures:

(A) THE AGRARIAN REFORM

The purpose of the agrarian reform was the liquidation of the class of independent farmers-producers, who, obviously, were opposed to the regime of the so-called people's democracy. The Soviets first took their land away from them, and then liquidated them as an independent antagonistic class. On the other hand they distributed the land confiscated to landless peasants, former farm hired labor, etc., **hoping to create thus a new class of landowners, who would be**

sympathetic to the new regime if it were only because they had received land from this regime.

The plans for the agrarian reform, the maximum size of land allotments, and all the instructions for carrying out the reform had been worked out in advance by the Soviets. On the surface there was the fiction that they were received in the shape of applications from the local German landrats (administrators) so as to create the impression that this plan of agrarian reform was proposed by the Germans themselves and was only approved by the SVAG.

I personally had occasion to observe how the German landrats, commonly members of the Communist Party, repeatedly called on General Shabalin to hand over their plans, which they had to rewrite until "these plans" fully corresponded to the Soviet instructions. Time and again the Communist landrats tried to protest against obviously senseless and economically harmful clauses in the Soviet instructions, but they could not do anything and were compelled to submit to the SVAG.

Economically, the agrarian reform in Eastern Germany has only decreased the effectiveness and productivity of agriculture. But that was not important to the Soviets. They had liquidated opposition to the "new order" in agriculture. Besides, they had created a new social layer among the peasantry, which was supposed to be in sympathy with them. The new structure of agricultural economy insured the subordination of agricultural economy to the State authorities. Thus the Soviets laid their heavy hand on German agricultural economy.

(B) SOCIALIZATION OF INDUSTRY

The socialization of industry was carried out on orders of the SVA in the shape of the establishment of "Landeseigene Betriebe" (State-owned enterprises). This meant that a considerable portion of small and medium industries of Germany was taken away from their owners without indemnity and transferred to the local city self-governments. This was done so as to liquidate a second independent class of German society: Industrialists-entrepreneurs, whom the Soviet rulers considered as enemies. Since the local German self-governments were completely controlled by the SVAG, the socialized enterprises in the form of "Landeseigene-Betriebe" were also completely controlled by the SVAG. Thereby was created the fictitious appearance that socialized industry was transferred into "the hands of the German people." Thereby the SVAG was hoping to earn additional political capital.

Thus, all the economic enterprises of the Soviets in Eastern Germany served to weaken economically (dismantling, reparations) and enslave economically (agrarian reform, socialization of industry) Germany. The purposes of this economic enslavement served as bases for a simultaneous political enslavement, which was most strikingly expressed in the creation of an artificial political party—the SED.

OPPOSITION OF THE SOVIETS TO THE UNIFICATION OF WESTERN AND EASTERN GERMANY

While the Soviets were carrying out the above measure for the economic and political enslavement of Eastern Germany, they opposed by all possible means the reunification of Western and Eastern Germany. This was not advantageous to them economically, because, if there is even the question of commodity circulation between the zones, this would have interfered with deliveries on account of reparations, out of current production. A part of the production, earmarked for deliveries under reparations to the Soviet Union, would have gone out from under the control of the Soviet authorities. In the administration of industry of the SVAG special meetings of the leading engineers of the administration were held, at which the chief of the administration, A. Aleksandrov, stressed the impossibility for the Soviet Union of commodity circulation between the zones, because this would have ruined the plans for reparation deliveries. The Soviets are only shouting about the unification of Germany in their propaganda, but they will never voluntarily agree to it.

In spite of the agreement on ending reparations concluded between Moscow and Pankow, the reparations are still being levied, but only in another form: The Soviets fix prices, without any basis, and very low, for products manufactured on orders from the Soviets, and at the same time sell their own raw materials in Eastern Germany at very high prices.

The Soviets will never agree to the unification of Germany through free elections. This would mean a complete defeat for the puppet government of Eastern

Germany. The Soviets cannot permit free elections, since all their system is based not on freedom, but on compulsion.

On the basis of my experiences as a Soviet officer working in the SVAG, and at present through the contacts of our organization among the Soviet occupational armies in Eastern Germany, in which we are considerably helped by the population of Eastern Germany, I can state that I am fully convinced in the following: the German people of Eastern Germany are our allies, allies of the free West, and the Soviet regime in Eastern Germany is maintained mainly through terrorism and force, in the same degree as on the territory of the Soviet Union itself. On the front lines of anti-Communist fighting the German population and the soldiers of the Soviet occupational army often feel that they are allies. This is confirmed by the riots among German workers on July 17 of last year, when hundreds of German workers gave their lives for the cause of freedom, and when dozens of Soviet soldiers and officers were shot by the field court-martial because of their refusal to fire at the rioting German workers. It is on this base of mutual struggle of all the people enslaved by communism that the West must build its struggle of liberation against the Communist system.

Mr. ARENS. You are in the United States only temporarily for a mission which we will get into in just a few moments; is that correct?

Mr. KLIMOV. Yes.

Mr. ARENS. It is a mission to develop contacts for underground work which you are conducting against the Soviet regime; is that correct?

Mr. KLIMOV. Yes.

Mr. ARENS. Will you in your own pace in a conversational manner here now just tell the committee a word of your personal background and personal history?

Mr. KLIMOV. I, Grigoriy Petrovich Klimov, was born in Novochechensk, in northern Caucasus, on September 26, 1918. My father was a medical doctor, and my mother a nurse. From 1926 to 1936 I studied in the 10-year school from which I was graduated. From 1936 to 1941 I studied in the Industrial Institute in Ordzhonikidze, and graduated in 1941 with a diploma in electrical engineering.

I worked as an engineer-constructor in plant No. 645 in Gor'kiy from 1941 to 1943. In 1943 I was mobilized in the Red Army and fought in the Leningrad sector of the front. I was wounded, and upon leaving the hospital I was sent to the Special Reserve Officer Regiment No. 96 (OPROS 96). In the summer of 1944 I was assigned to the Red Army Military Institute of Foreign Languages, where I was admitted to the last grade of the Germany faculty because of my knowledge of German.

Senator WELKER. I wonder if counsel could not ask questions? He has a statement in the record.

Mr. ARENS. I do not think he understood the way I was suggesting we proceed. I am suggesting that you give a conversational résumé of your background. As indicated in your statement, you have been an official of the Soviet Government, is that correct?

Mr. KLIMOV. Yes.

Mr. ARENS. You were an official of the Soviet Government in Berlin as an economic adviser to the chief of the Economic Administration in Berlin, is that correct?

Mr. KLIMOV. That is right.

Mr. ARENS. During that time you had considerable experience in the political subversion in Berlin and in Germany which was conducted by the Soviets, is that correct?

Mr. KLIMOV. Yes, it is.

Mr. ARENS. Would you just tell us in your own words just informally here now about the operations of the representatives of the Soviets on the Allied Control Commission in Berlin?

Mr. KLIMOV. My first experience in Germany indicated to me from the very beginning that the Soviet side did not want to collaborate with the western allies, including, of course, the American allies. Inasmuch as I was one of the first Soviet officers within the framework of the Control Council, I was especially impressed by the colossal difference when on one side, and when I say "we" I mean we, the Soviet officers and soldiers, expected to meet Americans and see in them our real allies, not only during the war but also during peace.

The whole Soviet people, the whole Soviet army, had the same ideas. And then I was especially impressed and astonished at being one of the few Soviet officers who had an opportunity to work for the Control Council and then I learned the official Soviet policy in regard to America. While Soviet officers and Soviet soldiers would encounter Americans, French, and British on the streets of Berlin, they continued to feel that they were their allies and were happy to have at least a modicum of contact with the world that is unknown to them but which was friendly to them. When we people who passed through the war and who even before the war knew the reality of Soviet life, we were happy in our thinking that peace had come.

During my very first days in my work with the Control Council, I was literally astounded when I saw that the official representatives at the Control Council, General Shabalin, was completely subverting all hopes not only of the Russian people but of every Russian officer and soldier, all hopes about peace. The actions of my superior, General Shabalin, were so much in conflict with hopes and ideas of all Soviet people, of all Russian people and the Army personnel that I at first personally had the tendency to ascribe his actions either to his personal stupidity, or I thought he was simply mistaken,

Senator WELKER. May I have a question?

Chairman JENNER. Senator Welker.

Senator WELKER. Mr. Witness, I take it you are referring now to when the Soviets started to reform Eastern Germany, their long-range plan of reform; is that correct?

Mr. KLIMOV. Yes.

Senator WELKER. That first took place by what, the socialization of industry and then the agrarian reform?

Mr. KLIMOV. At first they were dismantling.

Senator WELKER. Then what happened?

Mr. KLIMOV. The next was the land reform.

Senator WELKER. What did they do in the land reform, if you will tell us?

Mr. KLIMOV. Instructions were received from Moscow on how to implement the land reform, and this reform was prepared in Moscow in such a manner that it was supposed to destroy completely independent landowners.

Senator WELKER. Then from land reform you went into the socialization of industry and business?

Mr. KLIMOV. Yes.

Senator WELKER. I take it from your answers given heretofore that those three things that you have enumerated caused you to believe

that the Soviets were doing that to the Russian people, the peasants, the poor people who love freedom, and they did not like it?

Mr. ARENS. In addition to that, there was political subversion by the Soviets in the Allied Control Council, was there not?

Mr. KLIMOV. Yes. Political subversion is always connected with economic subversion. Communists are Marxists and materialists, and they know they can implement politics only when there is economic base for it.

Mr. ARENS. Will you kindly summarize the techniques of Soviet diplomacy with respect to Germany while you were identified with the Allied Control Commission?

Mr. KLIMOV. To continue what I said, the Bolsheviks tried in their first attempts to create an economic basis or economic base. Because of this they went through these three reforms I mentioned before; that is, dismantling, land reform, and socialization of industry. Only after this were they ready to embark upon the political subversion measure, and that is the creation of the United Socialist Party.

Mr. ARENS. What were the techniques of the Bolsheviks or the Soviets in the Allied Control Commission itself?

Mr. KLIMOV. The first example had to do with the decision of the Potsdam Conference to carry through the economic demilitarization of Germany. The Soviet representatives at the Allied Control Council completely subverted this decision of the Potsdam Conference and they were fighting against it. The result was that instead of liquidating the military industry, the war industry of Germany, as they were supposed to, what they did was to dismantle it and carried it completely out of Germany to the Soviet Union. If you will allow me to present another instance which is of considerable value, according to the Potsdam decision the Soviets, together with other allies, were bound to promote the unity of demilitarized Germany.

From the very beginning the Soviets subverted this point at the Potsdam Conference. First of all, they wanted to carry out all of the military industry from Germany to the Soviet Union. Then it was necessary for them to take reparations out. These two factors could not be coordinated with the unity of Germany.

Then they created the Socialist Party of Germany which actually is nothing else but a puppet of the Soviet regime in Germany. All these measures ipso facto make impossible the unity of Germany. If the Soviets were to agree today to the unity of Germany accomplished on the basis of free democratic elections, then tomorrow the Soviets would have to leave Germany. In this manner, while actually being the main enemies of the unity of Germany, the Soviets actually want to portray in their propaganda that that is what they are for.

Mr. ARENS. You were sent back from Berlin by the Soviets because they regarded you as politically unreliable?

Mr. KLIMOV. Yes.

Mr. ARENS. They sent you back to Moscow?

Mr. KLIMOV. Yes.

Mr. ARENS. You thereafter crossed over into the Allied zones of Germany and have been active as president of this Central Association of Postwar Refugees of the Soviet Union; is that correct?

Mr. KLIMOV. Yes.

Mr. ARENS. May I ask you a few general questions with respect to the situation behind the Iron Curtain on the basis of your background

and experience? First of all, what percentage of the population of Soviet Russia were the Bolsheviks when they took over?

Mr. KLIMOV. Thirty thousand people out of 150 million population.

Mr. ARENS. That would be about the same percentage of the hard-core Communists in the United States to the total population of the United States; is that correct?

Mr. KLIMOV. Yes; it is so.

Mr. ARENS. What is the percentage of the Communists now in Soviet Russia to the total population?

Mr. KLIMOV. Six million Communist Party members to the population of 200 million. In percentage relation there are more Communists in France and in Italy than there are in the U. S. S. R.

Mr. ARENS. What is the attitude of the rank and file of the people behind the Iron Curtain toward the Soviet regime?

Mr. KLIMOV. Eighty percent of them are against the Soviet system.

Mr. ARENS. How many slave laborers are there on the basis of your best information as a former Soviet official in Soviet Russia?

Mr. KLIMOV. About 15 million. Permit me to say that all relatives of political exiles are included in the group of politically unreliable people. And so if we were to come to total numbers of political exiles, political convicts ever since the inception of the Soviet power together with all their relatives, then we will find they comprise the biggest single class of the Soviet population.

The Soviet regime continues all these relatives as political unrelia-
bles. In other words, this class is foreign to Soviet power, and the Soviet power counts them to be its enemy.

Mr. ARENS. What is the attitude of the rank and file of the Soviet people, the Russian people, toward the United States and toward the West?

Mr. KLIMOV. Exceptional sympathy born of war.

Mr. ARENS. What would be the attitude, in your judgment as a former Soviet official, of the rank and file of the people behind the Iron Curtain if the Government of the United States should sever diplomatic relations with all the Iron Curtain governments?

Mr. KLIMOV. That would drive a wedge between the people and the Soviet regime. Then the people behind the Iron Curtain would look upon this action as support of the people who are behind the Iron Curtain—support by the free world.

Mr. ARENS. What would be the reaction of the people behind the Iron Curtain, on the basis of your background and experience, if the United States should, in addition to severing diplomatic relations, undertake to promote a worldwide embargo to sever all trade relationship with the Iron Curtain countries?

Mr. KLIMOV. I could answer it on the basis of the embargo which was placed by Great Britain on Soviet goods in the beginning of 1930. The whole Soviet people knew of it and they were glad to hear it and they probably considered this as the best piece of news for all of the 1930's.

Chairman JENNER. Would it increase the suffering of the people and deprive them of necessities?

Mr. KLIMOV. Not at all.

Chairman JENNER. Why?

Mr. KLIMOV. Because, as a rule, what the Soviets get from the West is not the consumer goods, not the food and clothing, but machinery which is necessary for them either for armaments production or for heavy industry.

Mr. ARENS. On the basis of your background and experience as a former Soviet official in the echelon which would be attached to the Soviet Control Council, could you tell this committee the degree to which the Soviet Communist international conspiracy relies upon political subversion for the attainment of its objectives?

Mr. KLIMOV. The political subversion is the primary and main purpose of all Soviet diplomats here and of the Communist Party in the West.

Mr. ARENS. What do you mean by political subversion? Would you just give us a word picture of what political subversion is?

Mr. KLIMOV. Whenever Vishinsky speaks from the forum of the United Nations, he does not speak to the members of the United Nations and he does not speak to the American delegates; he speaks only to the press so that his words will be disseminated throughout the world and so they will produce the desired effect. He is not interested in the truth; he is interested only in the effect which will be carried by his words by means of the press.

Mr. ARENS. To what extent is the Communist apparatus in the United States a part of the international Communist conspiracy?

Mr. KLIMOV. According to the charter of the Communist Party, all Communist parties are subject to the same discipline. In other words, they are supposed to execute the will of the directing authority, and the Communist Party of the United States is not an independent organization. It is bound to obey and implement what the Kremlin tells the Communist Party.

Chairman JENNER. Where we have teachers in our schools and colleges who are members of the Communist Party and where we have labor union officials who are members of the Communist Party and where we have Government officials who are members of the Communist Party—in other words, Communists in any and all phases of our life—they cannot be free people; they have to do the bidding of the Communist organization directed from Moscow; is that correct?

Mr. KLIMOV. Yes.

Mr. ARENS. On the basis of your background and experience, could you kindly give to the American people your appraisal of communism and the seriousness of the Communist threat?

Mr. KLIMOV. First of all, the American people must recognize, must know, the danger of communism. In order to bring this about so that the people would know the danger and would recognize and realize it, help is needed—help on the part of the American Government.

Mr. ARENS. You are temporarily here for the purpose of organizing certain phases of your work, to develop contacts so you will shortly return to carry on this underground activity against the Soviet regime, is that correct?

Mr. KLIMOV. Yes; I will go back to Germany.

Chairman JENNER. Thank you very much for your testimony here. We appreciate it.

Congressman Fred Busbey will you be sworn to testify?

Do you swear that the testimony given before this committee will be the truth, the whole truth, and nothing but the truth, so help you God?

Representative BUSBEY. I do.

TESTIMONY OF HON. FRED E. BUSBEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ILLINOIS

Chairman JENNER. Your name is Congressman Fred E. Busbey?

Representative BUSBEY. Yes, sir.

Chairman JENNER. Where is your legal residence?

Representative BUSBEY. 9144 South Hoyne Avenue, Chicago, Ill.

Chairman JENNER. You are presently a Member of Congress?

Representative BUSBEY. I am.

Chairman JENNER. How long have you served in the Congress of the United States?

Representative BUSBEY. I am finishing my fourth term as a Member of the House of Representatives.

Chairman JENNER. Proceed.

Senator WELKER. Before proceeding, may I make an observation for the record? I want to congratulate the chairman and the staff for bringing this able man before us. I have always felt that Congressman Busbey was one of the greatest Americans I have ever known, having dedicated better than three decades of his life to fighting the Communist conspiracy wherever it existed. I am proud to be a member of this committee and sit here and see before us such an able man as my colleague from over in the House of Representatives.

Representative BUSBEY. Thank you, Senator.

Mr. ARENS. Representative Busbey, you have prepared a statement which I respectfully suggest to the chairman be now incorporated in the record.

Chairman JENNER. It may go into the record and become a part of the record.

(The statement referred to follows) :

STATEMENT OF HON. FRED E. BUSBEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ILLINOIS

Mr. Chairman and members of the subcommittee, I am Fred E. Busbey, Representative in Congress from the Third District of Illinois, located wholly within the city of Chicago.

I wish at the outset to express my appreciation to the subcommittee for inviting me to appear here this morning on certain phases of the strategy and tactics of world communism.

As background for certain conclusions I will present to the subcommittee, I should like, with your permission, briefly to give a little background which I believe is not only fundamental to the problem under consideration, but is essential in understanding my very positive program of action for defeating the international Marxist menace that is responsible for most of the troubles of the world today.

My opposition to communism is, I believe, well known to the members of this subcommittee. I have sought to expose it, and its adherents, for over three decades. That covers the period when international communism and the outlaws at the head of the Russian Government moved in an air of respectability in New Deal circles.

Communism, either doctrinaire or the Kremlin variety of geopolitical communism, has never been respectable, even when Russia was a cobelligerent in the war to overcome another form of outlawry known as fascism. The Commu-

nists' purposes were just as anti-American and prejudicial to lawful process from 1941 to 1945 as they were in 1919, when they destroyed the Russian democratic-republican government which followed the fall of the czarist regime.

The recognition which was finally granted the Kremlin outlaws in 1933 under the Roosevelt administration, was as unwarranted then as it was in 1919. The guiding philosophy which accorded recognition and diplomatic status to the Stalin gangsters in 1933 was much the same as that which, in post-World War II years, aided and abetted the ascendancy of the Red Chinese, and now seeks to admit them to the United Nations.

From 1919 to 1933, the Democratic and Republican leadership of that era regarded the Lenin-Stalin gang as a group of political schemers who were using communism as a deceptive instrument for building a Russian-centered geopolitical front against the West. In those days, the non-Russian leaders of the 1919 Communist pact were looked upon as alien political opportunists, rather than revolutionary heroes.

Somewhere during the post-1933 period, these political outlaws, in and outside Russia, were disguised by an ideological cloak, and heralded as modern saviors of democracy. The resulting confusion in the public minds at home and abroad has brought the non-Russian world, and particularly the United States, to the brink of disaster.

We have so thoroughly confused age-old social evolutionary processes with the machinations of political opportunists at home and abroad that we do not know half of the time whether we are fighting for or against Russian imperialism. In the name of democracy, we saved Stalin's Russian imperialism in the 1940's, while crushing Nazi imperialism. Our emotionalism and misunderstanding of the internal and external forces which were working at that time against the American institution, led us into alliances which consolidated the long-sought Russian imperialist objectives and left a vacuum of economic strength and leadership on both the eastern and western borders of Russia. It would be interesting, I am sure, to trace to the source, the policy of unconditional surrender which wrecked the livelihood of 70 million Germans, while eradicating the Nazi outlaws.

Who were the guiding geniuses in the political maneuvering, the geopolitical debacle, which accompanied military victory? You know the answer. They were the same theorists who were taken in by the Russian schemers not only in the thirties and forties, but in 1919 as well.

Is it any wonder that our friends and allies abroad, in the fight against these political gangsters, scrutinize our policies with trepidation? Is it any wonder that a whole host of Asiatic countries are confused by the spectacle of Russian realism and American vacillation in deciding which is friend or foe in the countless internal struggles of those countries? We have placed confidence and leadership in persons right here at home who are the most violent foes of progressive evolutionary Socialist processes and have fought the Socialist Party, as well as the Democratic and Republican Parties. We have turned the cold-war strategy over to a group of revolutionary opportunists who are as dangerous as the Mao Tse-tungs and Ho Chi-Minhs.

Gentlemen, I submit that the steady trend of reverses which have marked our belated awakening to communism and jeopardized our position in Asia and even in Europe is only a reflection of misplaced confidence and an appalling misunderstanding of the nature of communism, as well as the individuals who have been in and out of it for personal gain over the past 35 years. How can we trust, as responsible representatives of our Nation, men who helped create the Communist Party; were affiliated with it for 10 years; and then lied about their Communist activities after banishment from the party in 1929?

I am 100 percent in favor not only of diplomatic, but even of economic, curbs on the Kremlin outlaws. This alone, however, without counteracting the influence of internal political outlaws like Wolfe and Lovestone, will not destroy the menace to the lawful processes of America and other non-Russian governments.

I regret to say that the present conflict over communism is narrowing down to a political contest between western revolutionary theorists and Russian geopolitical strategists. It is essentially a conflict between Russian state socialism and western international revolutionary socialism. On the sidelines in this global struggle are moderate Socialists, nationalists, and religious and ideological groups, who are being manipulated one against the other at the will of Communist and ex-Communist strategists.

Whether we want to recognize it or not, we have placed our military-economic machine in the hands of a group of Marxist theorists, who believe, that today's conflict is a materialist struggle between a western international superstate and the Russian-dominated eastern superstate. Religious ideals, national identity, and lingering remnants of national patriotism have long been banished in this material conflict, which the ex-Communist strategists call a managerial revolution between Russia and the United States.

The paradox of all this, of course, is that, in the past 7 years of hysteria over communism, religious groups, as well as lawful political parties, have been drawn into a bitter and nearly disastrous internal strife over the manner of coping with communism. Liberal as well as conservative groups—with no intention whatsoever of plotting with Russia—have been maneuvered unwittingly into a name-calling contest which serves only to weaken religious and political solidarity against a common international enemy of our political-legislative framework.

In this 7-year period, we have neither come to grips with the Russian military machine nor have we stemmed the growth of Communist philosophy. In fact, it can be said that our absorption with anticommunism has been confined to struggles with a number of dissimilar revolutionary and evolutionary processes—any one of which, if taken separately, would be found to be anti-Russian and equally antiwestern.

Thus, if we analyzed the policy which has hamstrung any attempt to come to grips with Russia itself, we would find that our anti-Communist policy has increased anti-Western and anti-American sentiment. A further analysis of this anti-American sentiment would reveal that it stems from two main sources; namely, (1) American vacillation, as far as military encounter with Russia is concerned; and (2) the gradual identification of anticommunism with obstruction of countless non-Russian evolutionary aims throughout the world. Asiatic, as well as east European, countries, whatever their preference between American and Russian policies, are being forced ultimately into a choice between annihilation and American compromise.

It is a dilemma which America has reached not entirely by accident. It is traceable to the original creation of communism by Lenin in 1919 as a deceptive instrument for controlling the world's diverse revolutionary processes, both good and bad, while transforming Russia into a modern state capitalist empire. Communism was a deceptive instrument for containing both western state capitalist and revolutionary Marxist combines, while Russia concentrated on the more susceptible Asiatic and Eastern European social political climates.

The western Marxist revolutionaries fell for this original "containment" policy in 1919, when they abandoned socialism for communism. They did so, however, with the full knowledge that such an alliance with geopolitical Russia violated basic Marxist theory and jeopardized the revolution in the West, as well as consolidated western Socialist geopolitical strength against potential Russian military-economic might. Opportunism—the prospect of a short-cut route to Marxian western socialism—pushed them, however, into the Communist alliance with Lenin.

Although the Marxist theorists—including the Russian, Trotsky—knew this ignored Marxist warnings against revolution in Russia before revolution in the West, they were so filled with the desire for power, and so confident of their ability to cope with the Russians, that they made the pact anyway. Ultimately, after being contained and pitted one against the other, most of the old Bolsheviks were exiled and purged from the party by the Russian geopolitical Communists.

Oddly enough, these exiled Bolshevik opportunists, like the Lovestoneites, still continued to idolize Lenin and to blame their predicament on their betrayal by Stalin and the other Russian geopolitical strategists in what they liked to describe as the Thermidor of Communist idealism following the death of Lenin.

By the strangest of ideological flipflops, these Lovestone Bolsheviks—who paid allegiance to Stalin from 1919 to 1929, and who fought the Stalinists from 1929 to 1941 for return to the party fold—came to be identified by latter-day cold-war officials as "ex-Communists," and even "anti-Communists." Lenin's original stratagem thus ran a full cycle of deception—from hoodwinking the western Marxist revolutionaries to deceiving anti-Communist America.

Men who engaged in this inter-Communist conflict with Russian leadership after 1929, have come to be identified as "ex-Communists" and "anti-Communists," because of their banishment from the party in 1929.

If time would permit, it would be possible to present hundreds upon hundreds of examples showing how the Kremlin has entered into agreements with

no intention whatsoever of keeping them, but I present only the few which follow to illustrate the point that you cannot trust nor do business with the Kremlin under any circumstances.

It was on November 16, 1933, that President Roosevelt signed a pact, establishing diplomatic recognition of Soviet Russia, with the Soviet Foreign Commissar, Maxim Litvinov, wherein Soviet Russia agreed, among other things:

1. To respect scrupulously the indisputable rights of the United States to order its own life within its own jurisdiction in its own way and to refrain from interfering in any manner in the internal affairs of the United States, its Territories, or possessions.

2. To refrain and restrain all persons * * * under its direct or indirect control * * * from any act, overt or covert, liable in any way to injure the tranquillity, prosperity, order, or security of the whole or any part of the United States.

3. To refrain and restrain all persons in Government service and all organizations of the Government or under its direct or indirect control * * * from an act overt or covert liable in any way to injure the tranquillity, prosperity, order, or security of the whole or any part of the United States.

The ink on that agreement had hardly had time to dry before it was necessary to protest to the Soviet Government about their violation of the agreement. The unfortunate thing about it is that our State Department has been sending "strong," perfumed letters of protest continuously ever since then.

The value of the November 16, 1933, agreement with the Soviet Union is probably best expressed in the words of former Secretary of State Cordell Hull, who in February 1935, said:

"There seems to be scarcely any reason to doubt that the negotiations, which seemed so promising at the start, must now be regarded as having come to an end."

During the summer of 1935, the State Department was compelled to send a protest about a Comintern meeting in Moscow, attended by American Communists, at which was discussed ways and means of undermining the United States Government. It is interesting to note that, in view of what we have learned of the creation and operation of the Comintern, Litvinov replied that the Soviet Government had no jurisdiction over the Comintern.

However, the violation of diplomatic agreements by the Soviet Union has not been confined to those made with the United States. On September 18, 1934, the Soviet Union joined the League of Nations—signing the covenant outlawing war and promising to abide by law as a rule of conduct among nations—and agreed to respect all treaty obligations in dealing with other powers and to respect the territorial integrity of other nations.

The Soviet Union ignored these obligations, and it was expelled from the League of Nations for attacking Poland in September 1939, and Finland in November 1939. Further, the Soviet Union, in cooperation with Nazi Germany, partitioned Poland and in March 1949 annexed 16,173 square miles of Finnish territory.

On January 1, 1942, the Soviet Union agreed to the Atlantic Charter; pledging not to seek aggrandizement, territorial or other; to support no territorial changes that did not accord with the freely expressed wishes of the people concerned; and to respect the right of all people to choose the form of government under which they will live.

These promises, like others, fell by the wayside, when the Soviet Union annexed part of Rumania in 1945; annexed part of Mongolia in 1945; and set up a puppet government in Poland in 1945; in Rumania in 1945; in Bulgaria in 1945; in Yugoslavia in 1944; in Albania in 1945; and in Czechoslovakia in 1948—as well as moving frontiers and shifting whole populations without consulting either the wishes of the people concerned or her allies.

At Potsdam on August 2, 1945, Russia, Britain, and the United States signed an agreement saying the final delimitation of the German-Polish frontier should await the peace settlement.

The Soviet Union had already fixed the Oder-Neisse line as the Polish frontier; and after taking over that area, insisted that its prior decision was irrevocable.

On May 24, 1946, the Soviet Union agreed that each of the occupying powers would submit reports on reparations and removals from their zone; then it refused to submit a report.

At Yalta on February 12, 1945, Russia, Great Britain, and the United States agreed that, during the postwar period, they would assist the peoples liberated from Axis domination and help them solve their problems by democratic means.

Instead, Soviet Russia has helped the Communist Party crush all democratic parties set up in Hungary, Rumania, etc., and has set up satellite states—exiling, jailing, and assassinating opposition leaders.

Time does not permit a recital of the long list of treaty obligations ignored or cast aside by the Soviet Union in its merciless march toward its goal of world domination. Time and again the Soviet Union has proven to the world that she is not worthy of belief and cannot be trusted to keep her solemn obligations.

It was Patrick Henry, when addressing the second Virginia convention in 1775, who said, "I know of no way of judging of the future but by the past."

Mr. Chairman, there was ample evidence before 1933 to have more than justified our refusing to recognize the Soviet Government at that time, but surely, with all the evidence since then, there is no reason whatsoever for nations who profess to be anti-Communist to continue such diplomatic relations any longer.

Just recently I returned from Europe where I was one of the members of the Select Committee To Investigate Communist Aggression that held hearings over a period of 4 weeks in London, Munich, and Berlin. During that time well over 100 witnesses appeared before our committee. Each of them gave us direct, eye-witness testimony concerning the tactics, methods, and objectives of communism. These witnesses came from every walk of life. There were clergymen of all denominations, farmers, former diplomats, professors, factory workers, union leaders, housewives, and journalists. The testimony presented to our committee (a good deal of it supported by documents and corroborated by other reliable sources) and my 33 years' experience with the subject lead me to these inevitable conclusions:

1. That communism is in every respect an international criminal conspiracy.

2. That this criminal conspiracy will not be satisfied, in its lust for power, until it has destroyed all the still free nations, and all the people of the world are brought under the ruthless hand of Moscow tyranny.

3. That this conspiracy will use any means to accomplish its ends. The tactics they employ are dictated by the given situation or opportunity confronting them. The final objective of this conspiracy never changes, but the tactics employed to attain this objective are very elastic and adjustable to local requirements.

4. That the United States stands as the only real obstacle to the Russian Communist plan for world conquest. The madmen in the Kremlin realize that we must be disposed of either by internal subversives, military conquest, or a combination of both, before their plan of world domination can be accomplished.

5. That coexistence between the still-free nations and the Russian Communist empire is impossible. One or the other must triumph because communism, both in theory and practice, requires us to decide between war or surrender; it gives us no other choice.

6. That we must treat the present leaders of the U. S. S. R. as uncommon criminals and that, accordingly, all our dealings with them should be governed by the methods we have long used in dealing with uncommon criminals. The same applies to their puppets and obedient proconsuls who are charged with the tyrannical control of the satellite states.

7. That it is impossible to establish any type of treaty, especially those dealing with peace and nonaggression, with the leaders of this criminal conspiracy. They will break such treaties every time and under circumstances and conditions which best serve their timetable for world domination. The Communists use the conference table as a stalling device and a place where they can lay the groundwork for intensive propaganda programs against the free world, and especially the United States. A good example of this point is reflected in the statement made by Ho Chi Minh 2 days after the signing of the so-called Indochina cease fire. This same Ho Chi Minh, after signing for the puppet Communist forces in Indochina, stated that he had committed himself to the all-out "liberation" of Indochina, which means putting all of Indochina under Communist rule.

8. That we must look upon the expanded empire of communism, now enslaving over 800 million individuals, as the "prison of nations." The leaders of the internationally criminal conspiracy are now busily engaged in an effort to absorb all the non-Russian nations into the expanded empire. To accomplish this, they seek to prevent every interruption of their nefarious work by creating a tremendous Iron Curtain, the purpose of which is to prevent the enslaved people from escaping and also to prevent the still-free people from seeing what actually goes on in their "paradise."

9. That time runs against the United States and in favor of the Moscow conspirators. The technique of the Kremlin is to consolidate its newly won empire while, at the same time, weakening the United States through internal subversion and disunity among our people. We may be sure that, as soon as their calculations indicate that they have an even chance of winning a hot war against the United States, they will not hesitate to engage in an all-out military attack against us.

10. That we must put our own house in order, and then take the initiative and launch a real political offensive against the international criminal conspiracy.

It is one thing to call for the development of a political offensive against communism, and another thing to get it started and carried through. In my opinion, the best way to launch a political offensive against the Communists would be to take the following two steps: First, for all free nations to break off diplomatic relations with the Union of Soviet Socialist Republics, Communist Poland, Communist Czechoslovakia, Communist Hungary, Communist Rumania, and all satellite countries. The second step would be the breakoff of all East-West trade. In order to put this plan into operation, the United States should take the lead in calling a meeting for this purpose.

The traditional functions of a United States diplomatic mission to any foreign country has been for purposes of representation, negotiation, and reporting. Recently, the only argument advanced for maintaining diplomatic relations with the U. S. S. R. and its stooge satellites has been the need for having an outpost in these enslaved nations, so that Communist events and happenings could be reported back to the Secretary of State, the President, and the people. Experience has taught us that negotiation with communism is impossible and that it is both impractical and unwise for us to make any representations to the Communists, because they will be treated with utter contempt. This leads me to the question of whether the information and material collected by our diplomatic missions in the U. S. S. R. and the satellites are fulfilling the purposes for which they were intended, and whether they are able to balance their weight on the political scales.

I made a special effort, while in Europe as a member of the select committee on Communist aggression, to ask a large number of the witnesses who appeared before us, what they thought about the United States maintaining diplomatic relations with the U. S. S. R. and the Communist satellites. Without exception, their answers followed this pattern:

1. That, whether we like it or not, the millions of enslaved people behind the Iron Curtain consider our diplomatic relations with the Communist governments to be recognition of those governments as the rightful governments; and that we thereby acquiesce in, and indeed condone, the brutal and criminal acts of those regimes—including their enslavement of the people.

2. That our diplomatic representatives in each of these countries, by attending the various social functions, cocktail parties, and holiday celebrations (such as May Day and Red Army Day), leave no alternative for the enslaved people but to accept the belief that we will continue our friendly relations with their oppressors, and that we do not intend to do anything to bring about their freedom from Moscow's tyranny.

3. That, so long as the United States and the other free nations continue diplomatic relations with the Communist regimes, it will not be possible to develop a worthwhile political and psychological objective against the international Communist conspiracy. This is so because the United States, unlike the masters of the Kremlin, does not engage in duplicity, either in the conduct of its international affairs or in other relations among nations. The best protection the Communists have for the preservation of their slave empire is the continuation of diplomatic relations with the free world, and particularly the United States.

It has been contended that to break off diplomatic relations with the Communist governments would be considered by them as undue provocation, and possibly an act of war. This idea is being fostered in an obvious effort to frighten us into maintaining diplomatic relations with the Communist conspirators, irrespective of the cost to our own national security. In my opinion, it could not be considered as an act of war against the Communist governments, because they have already declared war and are carrying on war against the United States and all other non-Communist nations. As to the possibilities of provoking the Russian Communists, I think it is about time we call a spade a spade and serve notice on the world in general that we do not intend to surrender by default to the Communist plan of world conquest.

Mr. ARENS. May I respectfully suggest that you proceed to comment extemporaneously on the principal points of your prepared statement, and then I am sure the committee will have some questions which they will want to ask you as we proceed here with your testimony.

Representative BUSBEY. Mr. Arens, I think the prepared statement can be summed up very briefly in this respect: First of all, there has been a very small realization in this country of the true techniques and purposes of communism; particularly as it pertains to the people of this country in the Communist Party during its early history from 1919 to 1929, and their activities after that. Putting it in very simple language, many of these people who were exceedingly active Communists—top party leaders—were purged in 1929, but they then proceeded to organize what we know as the American Communist opposition party.

Because they are so violently anti-Stalin in all their acts, in all their thinking, the public at large and officials of our Government—and when I say officials of our Government, I mean the Roosevelt regime, the Truman regime, and the present regime—have never realized, and do not realize to this day, that, although these men, and some women, are violently anti-Stalin in everything they say and do, they are not anti-Marxist. They have, in many instances, put out reams of magazine articles, books, and propaganda against the Stalinist regime in Moscow—in the Kremlin—but I dare say that, if you read their writings very carefully, you will detect that they have never written anything that could be construed as anti-Marxist. It is for that reason, in my humble judgment, that the Voice of America and Radio Free Europe have been so ineffective in carrying on the ideological and psychological war which I think is so important to victory.

Mr. ARENS. You have just returned from an extensive tour and an intensive study of the Communist apparatus abroad, particularly in Europe, have you not?

Representative BUSBEY. I have.

Mr. ARENS. I wonder if, in conjunction with your theme here, you would care to relate to the committee significant experiences you have had on that study tour.

Representative BUSBEY. I think one of the main things that impressed me—and I say this not as an individual but for the committee as a whole, because I have talked to the other members of the committee, and we are in accord—you cannot trust, nor do business with, the Kremlin.

Mr. ARENS. That is, the House committee?

Representative BUSBEY. That is the House Committee to Investigate Communist Aggression by the U. S. S. R.—sometimes known as the Kersten committee, because Congressman Charles Kersten introduced the resolution that created the committee in 1953, and is its chairman. We had one witness before us in London whose testimony I hope everyone in the United States will be able to read. He was a very prominent Polish lawyer.

Incidentally, I learned just this week that Mr. Walter Besterman, of the Immigration Subcommittee of the House Judiciary Committee, was a classmate of this man—his name is Zbigniew Stypulkowski. He was 1 of the 16 men who were invited to Moscow to sign a Soviet-Polish friendship pact.

Mr. ARENS. When, please?

Representative BUSBEY. March 1945.

When that committee of 16 arrived to sign the Soviet friendship pact, all 16 were thrown in the famous Lubyanka prison in Moscow. He described in detail, from the minute he entered the prison until he was convicted, the techniques and the methods that were applied to him, and that everyone in his position received what we commonly refer to as brainwashing. How anyone can possibly endure the brainwashing they received is just beyond comprehension. The Soviets have techniques and methods of torture that cannot be imagined by anyone with humane instincts.

He is one of the two men who are known to be alive today out of the 16 who went to Moscow to sign that Soviet "friendship" pact. Another witness whose testimony I consider very significant was Colonel Burlitski, who was a former member of the NKVD, and then the MVD and the Soviet Army.

Mr. ARENS. You are alluding to the secret police organizations?

Representative BUSBEY. Yes. He was a lieutenant colonel in the Soviet Army. He defected to the West during last June. He was held, I may say, incognito to the public until he was permitted to testify before our committee in Munich. I also sincerely hope that everyone in the United States will read his testimony, because Colonel Burlitski described to our committee in detail the technique used in the mass evacuation of the population of a whole country. He related how the members of the NKVD went into the Province of Chechen-Ingush, under the pretense that they were members of the Soviet Army who had been fighting on the front at that time against the Germans, and were sent there for a little rest and additional training before they went back in the lines for more active duty.

He declared that, all the time they were there, they were cataloging and making a list containing the name of every single individual in that populace—every man, woman, and child. Then came the day when the entire population, of over 500,000 people, was evacuated within less than 24 hours. The Soviets did not leave a single inhabitant; not one.

He described the big "friendship" celebration they held on this day of mass extermination of this population. They even had a band down in the village square to welcome the Chechen-Ingushi to this friendship celebration. They had some of the high officials of the Soviet Government from Moscow there to greet the people as they came into the square, carrying banners expressing friendship toward Stalin and the Communist regime.

After several of these high Soviet officials had pledged their friendship to the people of the Chechen-Ingush Province and after some of the leaders of this province and this particular community of Chechen-Ingush, got up on the stand and, in turn, expressed their appreciation of the Soviet troops' being in their community and the friendship that had developed while they were in the community; then came the psychological moment. When everybody was feeling fine and friendliness and good will were running high, one man got up and read an edict to the people; the edict being that they were guilty of collaborating with the Germans, that they were guilty of this and guilty of that, and he enumerated the various things of which the people in the community were declared guilty by the Kremlin.

As a punishment for their guilt, he said they were to be evacuated—every one of them—to what he called far-off distance places; without naming the section of Soviet Russia to which they were to be transported. He also informed the people that it would do no good for them to resist, stating that if they would turn around and look at the hills, they would see the Soviet guns that had been moved in on the hills while they were celebrating this day of friendship, and which were trained on the square of the village.

He said, "If you will look around the perimeter of the square, you will find that, while we have been here, the Soviet soldiers have moved in with their machineguns. If you dare to resist, you will be mowed down."

Senator WELKER: May I interrupt, Mr. Chairman?

Chairman JENNER: You may.

Senator WELKER: Were these unfortunate people allowed to go home to get any clothing, any food, or any of their provisions?

Representative BUSBEY: Not one of them. As a matter of fact, what happened was this, as Colonel Burlitski described it: They had the Soviet soldiers and the NKVD line up in 2 columns facing each other at a distance of about 3 to 4 feet, and they made every one of these people march down that corridor between the columns. They were searched and then they were loaded into trucks. I was indeed sorry to hear Burlitski's answer when he was asked what kind of trucks they were. He replied that they were brandnew United States Chevrolets and Studebakers.

Senator WELKER: Did that surprise you?

Representative BUSBEY: No, sir. They were loaded into these trucks and taken into a field outside of the village—into what the witness termed a "gathering place." After the Soviets had removed the people from the square, they went through the village. Within 1 hour's time, they had gone through every home in the village, had taken out every individual, had loaded them on the trucks, and had driven them out to this gathering place.

After they had herded all the people into this gathering place, they put them in trucks again and took them to the nearest railroad station. No one except the Soviets has ever known to this day where they were taken, or what happened to them. That was a country of over 500,000 people who were exterminated within 24 hours.

Chairman JENNER: It was a province, was it not?

Representative BUSBEY: It was really a country of its own—a very historical country. They were very rugged individualists and the Communists knew they could never bring them into the Communist-Soviet orbit.

Mr. ARENS: Aside from the shocking implications of this incident which you have related, which would shock any person's conscience, is there any threat, in your judgment, of similar objectives by the Soviets in other areas of the world?

Representative BUSBEY: There is always that threat. If they feel that the people cannot be subjugated by the techniques of the "peace" in the Kremlin, they will do the same thing to all who fall under their domination.

Mr. ARENS: What is the target of the Kremlin?

Representative BUSBEY. The target of the Kremlin is naturally the United States of America. That is the ultimate target. If I may inject here just a little side thought, I have always gotten a great deal of wry amusement from the utterances of some of these orators who get up on lecture platforms to talk against communism and who always use this old phrase to get applause from the crowd: "If they don't like the United States of America, let's send them back to Soviet Russia." The truth is that they like the United States of America and would like to take it over. They admit that the United States of America is the greatest country on the face of the earth. That is the reason they are here, working against our capitalistic system of government, and to gain control of it and our vast resources.

Mr. ARENS. Congressman, on your tour in Europe you had occasion, as I understand it, to interview a number of people who escaped from behind the Iron Curtain; is that correct?

Representative BUSBEY. Yes, sir.

Mr. ARENS. Could you kindly relate to this committee the consensus among those people with respect to the many issues which are involved in this Communist conspiracy?

Representative BUSBEY. Will you state that again?

Mr. ARENS. What is the opinion of the people who have escaped from behind the Iron Curtain with reference to the threat of the Communist conspiracy, with reference to what could be done in order to head off, if possible, the world encroachment of the Communist conspiracy?

Representative BUSBEY. I do not like to take issue with counsel, but could I for the record assure him that this was not a tour?

Mr. ARENS. I did not mean to use—

Representative BUSBEY. We sat in meetings from 9:30 in the morning until 6 or 6:30 in the evening, and then sat up until 11 or 12 o'clock at night interviewing individuals, talking to important people, and conferring with the committee staff.

Mr. ARENS. I do not mean to imply it was a pleasure tour.

Representative BUSBEY. We had no time for any touring, I assure you.

The consensus of these people, frankly, is that, if an armed conflict was started against the Kremlin, that from 80 to 90 percent of the people in the Soviet-controlled countries could be depended upon not to stay loyal to the Soviets.

Chairman JENNER. Congressman, from your intensive study of this very important subject and from interviewing these people and your long experience in the study of the Communist conspiracy, we have a new phrase going about in the world today called peaceful coexistence. What would you say as to the chance of a peaceful coexistence with the Soviet Union?

Representative BUSBEY. Senator, the testimony of every one of nearly a hundred witnesses we had before us in Europe confirmed what I have been preaching all through the years: that there cannot possibly be any coexistence with the beasts in the Kremlin, or with their philosophy of life, under any circumstances. I do not care who they are.

Chairman JENNER. Would you say they had the offensive today?

Representative BUSBEY. They not only have the offensive today but they have had the offensive all along, and I will tell you why.

It has been the policy of the so-called Western Powers, including the United States, to wait—wait—wait. To wait for what? We wait for the Soviets to make a move and then we make a very ineffective countermove. We wait for the Soviets to act and then we react in a very ineffectual way. This is convincing proof to me that, ever since we recognized the U. S. S. R. in March 1933, the people in our Government who have been responsible for our foreign policy, from that day to this, have not been aware of the real conspiracy that confronts the world. It seems they have not wanted to learn because anyone who does know the problem, who has studied it for years and years, and whose anti-Communist efforts and patriotism cannot be doubted, just will not be considered for employment in the agencies of our Government that should be coping with this problem.

Chairman JENNER. How can we take that offensive away?

Representative BUSBEY. We can take the offensive away—may I refer to just one thing I called for this morning in connection with my other statement?

Chairman JENNER. Surely.

Representative BUSBEY. This is no reflection on the individual whose testimony I will read from the original transcript. I am using it only to show that the people in the high places of our Government who are responsible for this do not understand the problem. If I may, I will read from the hearings of September 29, 1952, a deposition given by Gen. Walter Bedell Smith, the Under Secretary of State at the present time, in the suit between former Senator William Benton and Senator Joseph R. McCarthy.

As I previously said, this is no reflection on the patriotism nor the integrity of the gentleman. I think he is one of the finest patriotic men we have in America. But when you must have a very delicate operation on your eye you do not go to a butcher; you do not go to a chiropodist; you go to one of the very finest eye physicians you know in the entire United States.

I will read every question and answer that pertains to this matter. This, incidentally, is the cross-examination by his own counsel, a Mr. McGee. I do not believe Mr. McGee intended to ask any questions that would be embarrassing to the general. A man's counsel is generally supposed to ask questions that will be helpful to his client.

I think I should start right here on page 12:

Question. I am asking you specifically, General, about the Secretary of State.

Answer. As far as I know, Mr. Acheson is so considered.

Question. How do you know that, General?

Answer. From my observation of the policies of the United States Government as translated in various documents which I am not at liberty to discuss.

Question. When did you first realize that this Soviet danger was a great danger to the United States?

Mark this next answer now.

Answer. It is very difficult for me to give you a date, hour, and minute. I should say it was a growing realization. In common with most people who had been under illusions during the early days of our cobelligerency with the Soviet Union, specifically I began to realize the latent hostility, the basic hostility of the Soviet Union during the early days of the campaign in North Africa.

Question. Give us this date in years. In what year was that?

Answer. That was in 1943.

Question. 1943? Prior to 1943, did you know there was an international Soviet conspiracy which aimed to overthrow the United States Government by force and violence?

Answer. Communist; yes.

Question. Communist?

Answer. Yes.

Question. And did you know that the control of that conspiracy or at least one of its loci was in this Kremlin you speak about?

Answer. I heard it said, but as a matter of fact paid little attention to that since I was occupied specifically with other things and was specializing.

Question. Had you engaged in any intelligence work in the Army of the United States prior to taking over your occupation as head of the CIA?

Answer. I had.

Question. And in the course of that intelligence work, had you ever seen any confidential reports that disclosed the existence of such a conspiracy?

Answer. No. My intelligence work began with my entry into the Army at the First World War and was combat intelligence exclusively.

Question. Was there any indication in those intelligence reports of the danger of that Soviet conspiracy?

Answer. No. What I dealt with was exclusive combat intelligence. Combat intelligence has to do with the order of battle, equipment, and the tactical operations of the enemy which confronts you. That in those days was the Germans.

I may say that I am taking the time to read this—and there is only a page and a half more—because I wish to make what I believe to be some very important comments on the whole international situation.

Question. Well, you are now satisfied, are you not, General, that there is an international conspiracy, Communist conspiracy, which seeks to overthrow the United States by force and violence?

You could say that these were leading questions to assist his client in making a good impression.

Answer. I am, indeed.

Question. When did you come to that conclusion?

Answer. Specifically? Are you asking me to be specific?

Question. Yes.

Answer. In the days immediately following the armistice and since you have asked the question that way and I must elaborate by saying that I went through a period, as many other people did, of thinking it possible that the leopard might have changed its spots because I think many other people thought so, too; that we might—there might be a way of working out a modus vivendi with the Communist countries. You see, I had not at that time studied Marx and Stalin.

Senator WELKER. May I interrupt the witness here?

Chairman JENNER. Senator Welker.

Senator WELKER. As a matter of fact, Mr. Congressman, 2 years after signing the pact with Russia, recognizing them, Cordell Hull, then Secretary of State, made a very significant statement. I think you have it in your remarks on page 6 wherein he says:

There seems to be scarcely—

This is in February of 1935. The friendship agreement or the recognition agreement was signed November 16, 1933, when the then Secretary of State stated:

There seems to be scarcely any reason to doubt that the negotiations which seemed so promising at the start must now be regarded as having come to an end.

That is pretty strong notice from a very high Cabinet official; is it not?

Representative BUSBY. It certainly is. I agree with his statement, with this exception: I do not see why he, or anyone else, had any reason to believe it should have been so promising from the start.

I am almost through reading General Smith's testimony.

Question. Were you cognizant of this conspiracy during the period of time when you were Ambassador to Moscow, which was the period—

Answer. 1946 to March 1949?

Question. Yes.

Now, knowing of the existence of such a conspiracy, do you think it is dangerous to the interests of the United States to have in positions of importance, let us say in the State Department of the United States, either Communists or fellow travelers?

Answer. Dangerous?

Question. Is it?

Answer. Decidedly.

Question. As a military man, as the present head of the Central Intelligence Agency of the United States, you would recommend the ferreting out of those Communists and fellow travelers and relieving them of their duties and positions of trust in the Government of the United States?

Answer. I would.

Question. If you yourself knew of the existence of these people in positions of employment by the United States, you would take affirmative steps, would you not, General, to remove them?

Answer. I would.

That is all of the testimony that has to do with the comments I wish to make. Why have we been in such a helpless position all during the period from 1920 to date? There was no excuse for anyone who was interested in protecting the sovereignty of his country, the United States of America, and who was willing to determine what the menace was, not being acquainted with this subject.

I do not claim to be any great expert on this subject—there are many men in the United States who have dealt with this problem as long as I have and who know much more than I do. Their services were available to the agencies of our Government, but has any one agency ever called upon them for the benefit of their knowledge and advice? Not one. I do not know of a single instance, because all patriots who dare to fight communism publicly, are immediately smeared, by what I term the smear bund, as Fascists, as Nazis, as everything undesirable. That is part of the technique of the Communists. That subject is not before the committee this morning, but I should like to talk on that for hours and hours.

As proof of why there was no excuse for anybody—especially one who was charged with the responsibility—not understanding the menace, I humbly submit a little clipping from the Chicago Tribune of November 7, 1923. The heading says: "First Presbyterians To Read Plot Exposé Tonight."

The article reads:

Fred E. Busbey, World War veteran and leader in American Legion efforts to combat pacifist propaganda, will speak at a pre-Armistice Day meeting tonight at the First Presbyterian Church, Grand Boulevard and 41st Street. He will give firsthand information on investigations of Communist and Soviet plots to spread sedition. Resolutions advocating patriotism will be read.

Chairman JENNER. 1923?

Representative BUSBEY. 1923. I made my first lecture against communism in the spring of 1921.

Here is an article from the Chicago Herald-Examiner of Monday, December 8, 1924:

Fred Busbey warns of pink danger. "Well meaning citizens misguided by Communist propaganda," he says in speech.

And I went on, as the article stated, to tell the audience how the Communist forces in this country and all over the world worked through what we are calling Communist-front organizations.

They worked through front organizations in the early twenties. They work through Communist-front organizations now, and they will always work through front organizations in any country where they think it is necessary to gain their objectives. You see, this subject of Marxist communism is something in which the techniques are just as true today as they were 20 years ago, and will be just as true 50 years from now.

Where we have been so ineffective, and why we have not been able to cope with this situation more intelligently and more specifically through our Central Intelligence Agency, I should like to tell you, because I think it has a very direct bearing on the study of strategy and tactics of world communism. May I do that briefly?

Chairman JENNER. Please, sir.

Representative BUSBEY. I believe I know a little something of which I speak, because I was a member of the subcommittee in the House that heard the testimony when the CIA was set up. What I am going to say is not top secret, because I have said it from public platforms, and I propose to say it many more times.

I carried on three fights in the subcommittee when the CIA was constituted. In one of them, I was successful; in the other two, I was not successful. The one, and I thought it very important, in which I was successful was the fight I made against incorporating the FBI into the CIA. The two in which I was unsuccessful, were as follows: First, I tried to have it enacted into the law that the head of the CIA would be a civilian who was qualified by experience to head up that agency—like J. Edgar Hoover is the head of the FBI—a man who would be permanent and continue on year after year, regardless of whether Democrats or Republicans were in control of the administration; a man who would have the confidence of not only the Congress, but the entire population of the United States, as J. Edgar Hoover has. No; they wanted to staff it with men who would be on temporary assignments, knowing that they were to be back in the services in a little while. I think that has been one of the main weaknesses in our whole intelligence situation, and that it should be corrected at the very earliest possible date.

One of the other things that I thought was very important was that the CIA should not evaluate its own findings. If I may say so, I have personally worked in Intelligence for a considerable number of years, and the CIA is the only intelligence agency I have known of that evaluates its own findings. In my training and experience in Intelligence all through the years, it has always been my understanding that a gathering agency should never evaluate its reports. I think that method is very, very weak, and wrong.

Another thing that has worked against us, in trying to combat this Communist conspiracy, is, in my humble judgment and opinion, the lack of training in Intelligence of the individuals who were employed by the CIA. At the beginning before the CIA was established—and I think this should be on record—we had what was known as SI, Secret Intelligence.

I had as high as esteem and respect for that agency as I have for the FBI, and that is saying a lot. But instead of making use of these

SI agents we had around the world, what did they do? They blanketed in some of the pro-Communists from the OSS and other agencies, who were not qualified in Intelligence at all. I will not mention any places or names, but I dare say that if it were possible for a congressional committee to evaluate the qualifications of the men whom we have in various CIA posts of the world for the responsibilities they have, they would be found lacking in many respects. Congress has been stopped, because every time there is any question about CIA, it is the same old stuff: "Oh, we can't talk about that." You know, that hush-hush business.

Frankly, I think it is time that somebody looks into CIA and cleans up the mess down there, in order that we may have an intelligent and efficient intelligence staff around the world.

Until we do, I do not believe the intelligence that we are getting from our so-called listening posts all over the world through CIA will amount to a tinker's damn. The proof of that is this: Show me one instance where the information secured by the CIA has been of assistance, or has done one thing to contain or stop this march of the Marxist Communists in their program for world revolution. That is the proof of the pudding.

There are two problems confronting not only the United States, but the world, in trying to combat, subdue, and eliminate Marxist communism from the world. May I make it abundantly clear to the members of this subcommittee that if we had an Army and a Navy and an Air Force a 100 times greater than they are today, we could not eliminate communism from the world. Communism is an ideology. It is a way of life. It is a crusade. It is a fanatical form of religion to those people who embrace it.

Senator WELKER. Without any dedication to God, of course.

Representative BUSBEY. Naturally.

Incidentally, up until about 25 years ago, a person had to be an avowed atheist before he could be a member of the Communist Party; but, as they believe that the end justifies the means, they withdrew that restriction and took in people who believed in God, and then tried to make atheists out of them.

You cannot defeat an ideology with armed might. You must have more than armed might to defeat an ideology. In order to do it, you must not only stop and contain communism, but you must push back the Iron Curtain. We all know that. I think if we went to war, the men in the Kremlin would fold and their whole philosophy would fold very fast, because of their knowledge that the people not only in Soviet Russia, but in the satellite countries, would not support the Kremlin regime. Most of these citizens are not Communists; they are the subjects and victims of communism.

Chairman JENNER. Isn't there another method besides war?

Representative BUSBEY. Yes. I will get to that in just a minute.

You know and I know that the people will not stand for a declaration of war. The other method is this, very simply, and there are two steps. The first step is incorporated in your Senate Resolution 247, which I endorse; but, in my humble opinion, it does not go far enough. I think it would be very bad if the United States of America alone would cut off diplomatic relations with Soviet Russia. I think the way to approach that problem is to call all the nations of the so-called free world together in a conference.

Chairman JENNER. That is what the resolution provides.

Representative BUSBEY. I have not read it recently. I am glad it does.

Mr. ARENS. Maybe it would be helpful if we would interpose the essence of the resolution. It calls for the severance of diplomatic relations with the Iron Curtain government and the convoking of a conference of the free nations of the world for the purpose of taking united action to destroy the Communist fifth column worldwide and to resist Communist aggression.

Representative BUSBEY. I think that is very important, and I think that is the first step. Some people will say to you that we need these contacts for listening posts in the satellite countries. Gentlemen, if they cannot listen any better in the future than they have listened in the past, I truly believe we would be far better off without listening posts.

Senator WELKER. In other words, you think they are pretty hard of hearing?

Representative BUSBEY. No; I think they are not so hard of hearing, but that they do not hear right.

Senator WELKER. May I inquire of the distinguished Congressman? I must leave, and if you will allow me to ask this—

Chairman JENNER. Proceed.

Senator WELKER. Congressman, I would like to listen to your statement all afternoon, but I have two guests from my State.

I want to ask you, because I know you have been one who has received smears and abuse when you are trying to do something for your country—it is not a pleasant task for any of us to work long and unusual hours to try to alert the American people. But will you agree with me and with J. Edgar Hoover when he states that the greatest dilemma in our combat against communism at home is the complacency of the American people?

Representative BUSBEY. Yes, sir; I will agree with that. I will not add to it, but, so far, I agree with it 100 percent. On that particular question, I noticed the other day that the American Bar Association has advocated the teaching of communism in our schools. I would like to say to the members of this subcommittee that I have advocated that for many, many years. If the children of our elementary and high schools, and our colleges and universities are taught what communism really is, I have no fear concerning the road they will take. But the danger and the tragedy of it is that professors in our universities and colleges and teachers in our high schools have been teaching these students and children Marxist-communism under the guise of social science, or any other subject. They bring in the Communist technique, and they do not tell them they are teaching them communism, but they are learning it just the same. That is the reason why so many of our young people today are coming out of these universities and schools with such strange ideas, as we would call them.

Senator WELKER. I excuse myself. Again may I thank my distinguished friend from Illinois for appearing before this committee.

Chairman JENNER. Congressman Busbey, you had started to testify that there was another method short of war that might be beneficial, and you testified to launch a political offensive against the

Communists would be to take the following two steps. I think you covered the first one. The first one is for all free nations to break off diplomatic relations with the Union of Soviet Socialist Republics, Communist Poland, Communist Czechoslovakia, Communist Rumania, and all satellite countries. Would you tell us about the second step you think would be beneficial?

Representative BUSBEY. The second step, Senator, is to enforce a 100-percent economic blockade. In other words, to stop completely all so-called East-West trade.

Chairman JENNER. Did you hear the testimony of the gentleman who testified just previous to you who was born and reared in Russia and who has now defected?

Representative BUSBEY. No, I did not. I was working on some of my material.

Chairman JENNER. He advocated that same position.

Representative BUSBEY. I am acquainted with the stock argument that is made against that, and it is this: What are we going to do to support the economies of these countries, such as the western European countries and the South American countries? How are you going to support their economies?

Another argument is: Isn't that going to be very hard on the people back of the Iron Curtain? Yes, it would be hard, but it will be much harder if we let the Communists continue their march toward their goal of world domination.

Mr. ARENS. There is still another argument: If we trade with the Iron Curtain governments, particularly now with China, that we will woo China and woo the captive nations away from the Soviet orbit. What do you think of that argument?

Representative BUSBEY. I think it is just nonsense.

Mr. ARENS. You know it is made and advocated with greater sincerity by people high in this Government?

Representative BUSBEY. I do not care by whom it is made; it is still silly. Unfortunately, they have not given the time and study to this subject that a great many of us throughout the United States have given it.

I will tell you what you will run up against on my first step—and I think this is important to your resolutions, because you will have to face it. I will take you back to September 27, 1943, when I introduced the following very short, simple resolution in the House of Representatives, a concurrent resolution:

Resolved by the House of Representatives, the Senate concurring, That the Congress hereby petitions the President of the United States to invite representatives of the United Nations to a meeting to be held in the United States where peace aims of their respective countries will be submitted in writing as a basis for formulating a program for world peace.

That resolution was sent to the Foreign Affairs Committee of the House. At that time, a very distinguished Member of the House from New York, Sol Bloom, was chairman of the Foreign Affairs Committee. Week after week, I would confront him with the same question: "When are you going to let me come in and testify before your committee in behalf of this resolution?"

Finally, after many weeks, he said to me:

Fred, you might just as well realize it; you are not going to get a hearing on that resolution.

Being one of those individuals who are more-or-less persistent, I said, "Why?" He said:

Because you know and I know that all the nations would be perfectly willing to state their peace aims in writing, with the exception of our great ally, Soviet Russia.

I said:

Sol, I will buy the first part, but I won't buy the second part, because I never have admitted, and never will admit, that Soviet Russia was at any time an ally of ours. She was a cobelligerent and nothing else.

As I said, being rather persistent, I asked:

Well, why am I not going to get a hearing on my resolution?

He replied—

You might just as well know it. I have orders from the White House not to give you a hearing on your resolution.

I had explained in a speech on the floor of the House that we had invited all the nations in for the food conference down at Hot Springs, Va., to distribute the food all over the world. We had invited them in at Atlantic City to set up the Relief and Rehabilitation Conference, UNRRA—and it has already been proven that the Commies got most of the goods, and that it was a job haven for Commies, to see that they ran the show. We called them together at Bretton Woods for the monetary conference; so I said:

Why not call them together for the peace conference?

What has that to do with Senate Resolution 247? I will tell you.

The argument will be presented that Great Britain would not agree to anything like that. And I do not believe she will. But if she will not, should we not find it out now, rather than later? There will be a lot of other countries that will not be willing to sign it. But should not the American people and the Congress of the United States have that information now, instead of doing nothing, as was done when my resolution died in the committee back in 1943?

Mr. ARENS. In other words, you are saying it is time to choose up sides to know who our friends are and who are not our friends?

Representative BUSBEY. Yes; but, unfortunately—and I think a great many people know it—you would not get very many people to go along with you on this thing. I will give you a good illustration. When I was in Europe with the Kersten committee, we concluded our hearings on a Friday night in London. We could not open the hearings in Munich until the following Wednesday, because Mr. Kersten could not have an appointment with Comrade Adenauer until Tuesday afternoon. But, in my capacity as chairman of the Subcommittee on Appropriations in the House for the Department of Labor, and related agencies, and the Department of Health, Education, and Welfare, I was particularly interested in the conference that was going on in Geneva—the International Labor Organization Conference—because we had representatives there from our own Department. That comes under the Labor Department, and I have the chairmanship of that Subcommittee on Appropriations.

So, I took a plane to Geneva early Saturday morning, and I attended some of the sessions of the ILO. I was there on the most historic day

in the 37 years of that organization. As you probably know, that is the only organization set up in the League of Nations, which survived.

What was the situation? Soviet Russia, and I think this is very important to what you are exploring here with your resolution—Soviet Russia and five of her satellites applied for admission into the ILO. They could not be denied on one ground, because, at what was known as the Philadelphia Convention in 1946, the rules of the ILO were changed to permit any member nation of the United Nations to join the ILO. But the big fight at that convention was on this issue: Did the representatives of labor and the representatives of management for Soviet Russia and her satellite countries really represent labor and really represent management, or did they actually represent government?

The ILO has always been a tripartite organization; two delegates from a nation representing government, one representing labor, and one representing management. For instance, for the United States, the labor delegate was Mr. Delaney, who is one of the officials of the American Federation of Labor. The man representing management was Mr. Will McGrath, of Cincinnati, Ohio, delegated by the United States Chamber of Commerce and the National Manufacturers' Association. The two men representing government were Assistant Secretary of Labor, Mr. J. Ernest Wilkins, and Governor Langlie of the State of Washington.

Mr. Wilkins was the chairman of our delegation. If I may digress at this point, Mr. Wilkins is one of our most prominent Negro lawyers from the city of Chicago. Everybody at the conference—all the advisers, all our delegates representing management, labor, and government—everyone of them—agreed that it was only through the efforts of Mr. Wilkins that all three segments of the United States delegation were woven into a solid front for the first time in the history of the ILO. I think that is a credit to him.

But when the chips were down and the votes were taken on whether these delegates of labor and management really represented labor and management, or actually represented the government, very few of the nations all over the world stayed with the United States in opposing the seating of these delegates.

Out of the entire Far Eastern bloc at the ILO Conference, the only one that voted with the United States was Nationalist China on the island of Formosa. All the others deserted us, and voted with the U. S. S. R.

You might reasonably ask: What has this to do with the strategy and tactics of world communism, which the subcommittee is considering at this time? Do you think it is by accident that Soviet Russia and her satellites have come back into UNESCO? Do you think it is by accident that they applied for admission to the ILO? No. It is by design, because they see this way to get back into these international organizations.

They will be having their agents in these organizations stationed in every country of the world, and those agents will be top-trained Communist technicians. They will be going into our point 4 program, and that is because, as the Director General explained it to me, it is almost impossible to get technicians from the United States interested in going into that program. So, the Soviets will come up with the

trained technicians and they will be operating as agents of the Kremlin. That means 1 more individual or 2 more individuals in these countries as contact agents between the internal Communist forces of these countries and the outside.

I would like to make one more statement, and then finish, unless there are some questions, because there is so much to this that I could continue for weeks.

One thing that was brought home very forcibly to our Kersten committee over in Europe by the witnesses who testified concerning how the Kremlin took over the governments of the various countries was this: That, generally speaking, the first ones to be liquidated were the people who had led the Communist fight within these countries to overthrow the incumbent regimes. In other words, the leaders of the Communist movement in a country—those people who were collaborating with the Kremlin and who were responsible in a great degree for the Kremlin's being able to take over the country—were the first to be liquidated. The Communists will not take any chances on these nationals, unless they have uses for them, and, then, only up to the point where, in their judgment, it is inadvisable to keep them any longer. When that time comes, these nationals go.

I should like to call one other thing to the attention of the subcommittee. I have not read this article for some time, and I will not impose on the subcommittee's time by reading it now, but it is an article from page 2-B of the Washington Post of Sunday, July 15, 1951, entitled, "Frail, Secretive Ho Chi Minh Is No. 1 Red of Asia Gateway."

Mr. ARENS. I wonder if you would identify the article just more precisely for the purpose of the record.

Representative BUSBEY. It is by Seymour Topping, and it is dated Saigon, Indochina.

Mr. ARENS. It appeared in what paper?

Representative BUSBEY. The Washington Post, Sunday, July 15, 1951. The significant thing about it is this: The article tells how Ho Chi Minh was employed by the United States Government in the OSS, and also the United States IS. It does not do our hearts any good to see things handled in such a terrible way as they have been handled in Korea and Indochina, when there was no excuse whatever for such mishandling.

Mr. ARENS. I think it would be helpful if you would elaborate a bit more on the significance of that article so the record would reflect clearly your interpretation of it.

Representative BUSBEY. The only reason I referred to it is that we accepted these people into our governmental agencies all over the world; practically saying that they believed in the same ideals we do.

I have here a copy of testimony—received just this morning—taken by our committee in Berlin, that is very pertinent. One of the witnesses had been a top Soviet agent who had performed in every way for the Kremlin for many, many years, but had eventually come into disfavor with the gangsters in the Kremlin. He was exiled to the slave-labor camp known as Vorkuta, which is known as probably the worst slave-labor camp in all of Soviet Russia, and from which they get a great deal of their coal.

This testimony illustrates my point that we did not realize what the problem was, or that if we did realize what the problem was, someone certainly should be taken to task. This man and several of our other witnesses in Berlin testified under names other than their own, although their backgrounds and real names are known to the committee and their records are in the file. Our committee was satisfied as to the authenticity of their testimony and their qualifications as witnesses. Ironically enough, one of the witnesses testified under the name of Herr John.

I will read part of the testimony of the witness who was exiled to Vorkuta:

Question. How did you happen to obtain your release from Vorkuta?

Answer. The Soviets released 15,000 Germans in order to prepare a good atmosphere for the Berlin Conference. These 15,000 people partly consisted of prisoners of war and partly of civilians. From Vorkuta itself about 100 male and about 20 female prisoners were released, and I was among those 100 men.

So you see that this man has not been out from behind the Iron Curtain too long.

Question. This, then, was a Soviet gesture on the eve of the happening of the Four-Power Conference in Berlin; is that correct?

Answer. Yes; that was our opinion of it.

Question. Now, who was the man, Doctor, that caused your arrest in the East Zone of Berlin?

Answer. It was the representative of the Moscow faction in the Ministry of Health in which I worked at the time, Dr. Coutelle, who caused my arrest.

Question. Dr. Coutelle was a Comintern agent; is that correct?

Answer. Yes.

Question. Can you tell us something about Dr. Coutelle, who he is and what he did?

Answer. He is about 45 years old; was born in Germany. Previous to 1933 he was a member of the Communist Party. After 1933 he went to Moscow and was trained for this special task of the Comintern.

Question. How do you spell Coutelle?

Answer. C-o-u-t-e-l-l-e.

Question. Go right ahead.

Answer. In 1936 he went to Spain and remained there until the end of the civil war. There, he was a member of the international brigade. After the termination of the civil war he was living in England, and in approximately 1941 or 1942 he received the order from the section of German immigrants of the Comintern to volunteer as a doctor for the American Army. He did so and then served as a doctor in the American Army at the Burmese front.

Question. Is that on the Burma front under General Stilwell?

Answer. Yes.

Question. Now, he received—this Comintern agent that you are talking about, Dr. Coutelle—received a commission in the United States Army as a doctor; is that correct?

Answer. Yes. He was an American military physician and he worked in the American Army as a physician.

Question. As a physician? But he had a commission. He was in uniform.

Answer. Yes, he was in uniform.

Question. And he was assigned to the Burma front under General Stilwell; is that correct?

Answer. That is correct.

Question. You are testifying from your own knowledge on that; is that correct?

Answer. Yes. I know his personnel files very well. When he came back, at that time I was in charge of the Personnel Department.

Question. Of what?

Answer. Of the Ministry of Health. He came back to Berlin, approximately the beginning of 1946, and still was in American uniform.

The CHAIRMAN. Just a minute. Where were you when you saw his personnel file, Mr. Witness?

The WITNESS. I was in charge of the Personnel Department of the Ministry of Health in East Germany.

Question. What date was this?

Answer. That was in 1946.

Question. On what month and day, if you can recall?

Answer. Approximately January or February 1946. About that period.

Question. And in what city or place?

Answer. In East Berlin.

Question. And at that time, the East Berlin Government was under the Communists; was it?

Answer. Officially it was, and formerly it was nonpartisan and all parties participated. However, this government was not fully competent as a government at that period. That was done before 1949.

He went on to testify concerning another agent of the Comintern whom they sent over to be given a commission in the United States Army, and who also served under General Stilwell in the Burmese campaign. I bring that up for this reason: To these people who say we should not adopt Senate Resolution 247 because we need these listening posts in all these countries of the world, I say, Who are out in these listening posts? Back in the 80th Congress in 1947 and 1948, I spent a year and a half making a one-man investigation of the State Department.

One of the divisions I investigated that year was the Foreign Service Institute. Lo and behold, whom did I find at the head of this Foreign Service Institute, whose responsibility it was to train all these young fellows entering our Foreign Service to be sent out to these listening posts? A man by the name of William Maddox. Who is William Maddox? William Maddox was in charge of the OSS station at Beri, Italy, during World War II. He was in charge there when the United States Army sent into Yugoslavia an intelligence detail under Colonel McDowell, who, in my estimation, was one of the best intelligence officers we had in G-2. I have not heard of him for some time; but the last time I did, he was still in G-2.

You will recall that up until about the end of November 1943, all you read about in our papers concerning Yugoslavia was General Mihailovich and his techniques. But then, just as if you took a sharp knife and cut it off in the press, you never heard another word about him. All you heard about were Tito and the partisans. That was when Mr. Churchill was very successful in persuading our Government to support Communist Tito.

After Colonel McDowell took this mission into Yugoslavia, he started sending in his reports. Being a military man and an intelligence man, he naturally made factual reports. As far as I have been able to ascertain from my conversations with various people who know this situation very well and in whom I have every confidence, William Maddox, the head of our OSS station in Beri, Italy, preferred court-martial charges against Colonel McDowell because his reports were not slanted in favor of the Communists.

After some time, Gen. George Marshall, who was then Chief of Staff finally quashed the court-martial charges against Colonel McDowell. But this William Maddox was down there training our boys in the Foreign Service Institute for duty overseas. I think members of this committee will agree with me that, in the study of strategy and tactics of world communism, and in order really to put up an effective effort against the Communists, these boys certainly should be oriented in the right way on the subject of communism before they go out in the field—before they leave the United States shores.

But, would Mr. William Maddox, who was in charge of the Institute, permit anyone in that Institute who was well qualified to talk on the subject of anticommunism from a realistic viewpoint, to talk to these boys? Not one. The only ones who got into that Institute were the Owen Lattimores, the John Emersons, the Philip Jessups, the John Davies, and that ilk. They were the only ones who could get in to tell these boys about communism and to orient them before they went to these listening posts. That is one of the reasons, among many others, why our listening posts have been ineffective. As far as I am concerned, it blows into bits any arguments that could be presented concerning the necessity for these listening posts.

In addition to that, I have visited during the last 4 years 24 of these so-called listening posts. From all I could gather, we would have been much better off if we had had no information coming back, rather than some of the information which was sent back.

Mr. Chairman, I feel that I have already imposed too much on the time of the subcommittee. If there are any further questions, I shall be more than happy to answer them to the best of my ability.

Chairman JENNER. I am sure the committee is deeply appreciative of your testimony and will give it very serious consideration as it studies and pursues this challenging subject of the strategy and tactics of world communism.

On behalf of the committee I want to thank you for the time and efforts you have put forth on preparing this statement and in presenting your views and the information which you have now submitted to the subcommittee.

Representative BUSBEX. Thank you very kindly.

(Whereupon, at 12:30 p. m., the committee recessed, subject to call.)

STRATEGY AND TACTICS OF WORLD COMMUNISM

WEDNESDAY, SEPTEMBER 22, 1954

UNITED STATES SENATE,
SUBCOMMITTEE TO INVESTIGATE THE ADMINISTRATION
OF THE INTERNAL SECURITY ACT AND OTHER INTERNAL
SECURITY LAWS, OF THE COMMITTEE ON THE JUDICIARY,
Washington, D. C.

The subcommittee met at 10:35 a. m., pursuant to call, in room 457, Senate Office Building, Senator John M. Butler (member of the subcommittee) presiding.

Present: Senator Butler (presiding).

Present also: Richard Arens, special counsel; and Frank W. Schroeder, professional staff member.

Senator BUTLER. The subcommittee will come to order.

This session is a continuation of the series of hearings by the special task force of the Internal Security Subcommittee on Strategy and Tactics of World Communism.

The witness today is Mr. Louis Budenz. I am very happy to have you with us today, and shall listen with great interest to your testimony.

Will you please rise and raise your right hand? Do you solemnly promise in the presence of Almighty God that the evidence you will give before this task force will be the truth, the whole truth, and nothing but the truth?

Mr. BUDENZ. I do.

Senator BUTLER. The witness is sworn. Counsel may proceed.

TESTIMONY OF LOUIS BUDENZ

Mr. ARENS. Mr. Budenz, for the purpose of the record, will you kindly give us a brief résumé of your background?

Mr. BUDENZ. Yes, sir. I am at present a member of the faculty of Fordham University, although I have now requested and received a year's leave of absence because of the many subpoenas I have received from the Government. I am also engaging at the present moment in extensive classes among community leaders on the strategy and tactics of communism, and as a result I have produced a textbook which is just out, on the techniques of communism. That, I should say, is my main concentration at the present moment.

In the past I was, of course, an active member of the Communist Party, from 1935 to 1945, and among other posts that I held in the Communist conspiracy was labor editor of the Daily Worker; editor of the Midwest Daily Record, the Communist paper in Chicago, for a period of time from 1937 to 1940; then managing editor of the Daily Worker, and president of the Freedom of the Press Co., Inc.

During a considerable period of that time I was a member of the national committee of the Communist Party, and both as a member of that committee and particularly as being responsible for the Daily Worker, I attended politburo meetings. That is the governing body of the Communist Party of the United States.

Mr. ARENS. Mr. Budenz, on the basis of your extensive background and experience in the world Communist movement, what conclusions do you draw on the strategy and tactics of the world Communist movement today?

Mr. BUDENZ. If our Nation wishes to remain the United States of America and not become in a comparatively short time a satellite of the world Soviet dictatorship, we must break off relations with Soviet Russia and the satellite regimes at once. We cannot do business with Moscow. The longer that we attempt to do it, the more will we sink into the mire of defeat after defeat, which in general has been the history of the past 20 years of relations with Soviet Russia.

Senator BUTLER. Mr. Budenz, will you direct your remarks to the oft-stated position that we need to have relations with Moscow so that we can have a listening post behind the Iron Curtain? Is there any validity to that contention, in your opinion?

Mr. BUDENZ. There is none whatsoever.

Senator BUTLER. Will you explain why?

Mr. BUDENZ. May I say, Mr. Senator, before explaining that, that this conclusion that I gave you in my first answer arises from the nature of Soviet communism, which is inherently determined to conquer the world, and upon that basis arouses the fanaticism and devotion of its followers. It is also based on the strategy and tactics of the Communist conspiracy as laid down by Joseph Stalin and other leaders, which flows from this philosophy of communism or the nature of Soviet communism.

It is based, likewise, on the supermilitary organization of the Communist conspiracy to bring about the destruction of all other nations so that they will become members of the world Soviet dictatorship or subjects of the world Soviet dictatorship.

In regard to your question, in Soviet Russia we cannot have a true listening post because everything is shut off to us. There is no freedom of transportation, there is no freedom of examination. How many of our representatives can go into the slave labor camps of Soviet Russia today and see there the millions of victims of the Kremlin?

Senator BUTLER. Is there anything to be gained merely by having our people there coming in contact with the Russian people and the people behind the Iron Curtain for an exchange of ideas?

Mr. BUDENZ. There is no exchange of ideas which can be made with the Russian people. They are constantly watched by the Soviet Secret Police. As a matter of fact, under the "yellow dog" contract of the Soviet Government, everyone, as a condition of employment, must report to the Soviet Secret Police on his neighbors, his friends, and his associates.

Senator BUTLER. But we have heard so much about the small percentage of people within the Communist orbit who are really hard-core Communists, and that it may do some good to have people there to talk to the people who are not Communists so they could learn something.

Mr. BUDENZ. The greatest good we could do is to give hope to the Russian people, to make them our allies, to give them hope by letting them know that we are not conducting secret negotiations with their masters, that we are not coming to compromises and accommodations which are always in favor of Soviet Russia and which spread despair among them.

Senator BUTLER. Do we weaken our position in that regard if we cut off all relationships with them?

Mr. BUDENZ. No; we strengthen our position, and for a specific reason. The only listening posts that exist today are those of Soviet Russia in the United States in the espionage nests which are called embassies, and also in the Tass News Agency, which is also another center of espionage in this country.

I say that with due and deliberate consideration, but it has been confirmed for us now by the testimony of Vladimir Petrov, the former Soviet diplomat, with documentary support. This testimony has just been given before the Royal Commission on Espionage in Australia, and I have read it day by day through copies of the Sydney Morning Herald which have been sent to me kindly by a friend. This will soon be available to this committee, by the way, because I understand the Australian Government is about to print the hearings of the Royal Commission on Espionage, and they are startling. They indicate five different directorates of espionage functioning out of the Soviet Foreign Office under Mr. Molotov, in every country of the world.

These various directorates are one on political information, one on military intelligence, one on sabotage, and another which I have forgotten for the moment, and as an addition to that, one for the assassination of Soviet enemies. The existence of these directorates is not only shown, as I recall, by Mr. Petrov's sworn testimony, but by written documents of instruction to him which he turned over to the Royal Commission on Espionage.

Mr. ARENS. Mr. Budenz, on the basis of your background, experience, and intimate knowledge of the world Communist conspiracy, would you give your appraisal to this subcommittee of the Soviet timetable. How late is it on the Soviet timetable for world domination?

Mr. BUDENZ. The Soviet timetable does not go by years; it goes by periods. We have I consider the best of all authorities in Joseph V. Stalin. He is the best of all authorities, because the Communists have continuously acclaimed him to be the leader, teacher, and guide of the oppressed of the world. In his Foundations of Leninism, published in 1934, Stalin says on page 91 of the Little Lenin Library edition—and I want to emphasize this—that this present period, following the October revolution, that is, following the Bolshevik revolution in Russia, has as its objective—

To consolidate the dictatorship of the proletariat in one country, using it as a base for the overthrow of imperialism in all countries.

That is for the overthrow of all other governments.

The revolution is spreading beyond the confines of one country. The period of world revolution has commenced.

It is in this present period that Soviet Russia intends to conquer the world. That is its program and it is moving forward to it under

the policy of encirclement which Stalin laid down in 1939 and which is proceeding according to schedule.

Mr. ARENS. Is peaceful coexistence with the Soviets possible, in your judgment?

Mr. BUDENZ. Peaceful coexistence is utterly impossible. Peaceful coexistence was the slogan raised by Stalin in 1927 for the deceit of the non-Soviet world. Almost at the same moment that he raised that slogan for these strategic purposes to deceive the rest of the world, he was writing for the Communists the Problems of Leninism.

Senator BUTLER. May I ask you this question: If this conspiracy has a well-defined objective which we all believe it does have, why is it that we were able in America under the leadership of Mr. Browder to have the Communist Party depart from its basic objective of overthrowing by force and violence and pursuing the tactic that he suggested?

Mr. BUDENZ. Senator, it really didn't depart from that objective. If you will read Mr. Browder's own works, you will see that he stands on the foundations of Lenin and Stalin, and their foundation is the violent overthrow of the Government of the United States.

Senator BUTLER. But he did adopt peaceful methods for a period of years; did he not?

Mr. BUDENZ. He did it under instructions from Moscow. So did Stalin speak about peace. Stalin made the Teheran pact—

Senator BUTLER. In other words, that was just part of the pose to throw the free world off balance?

Mr. BUDENZ. That is right, and Browder was made the victim of Soviet policy later on because they had to have a scapegoat in order to show that now the war was on against the United States. There was nothing that could show that better than to demote Browder for standing for peace. That electrified the Communists of the world.

Senator BUTLER. Without naming names or even referring to any one organization over another, do you think that there is any other ideological organization in the world today that can successfully combat communism?

Mr. BUDENZ. I think the United States of America, because of its great productive capacity which could cause Mr. James Byrnes, as head of the Office of War Mobilization, to state toward the end of World War II that we could produce and were about to produce as much as the Allies and the Axis combined, and with the ingenuity of the American people, with the great prestige that the United States has, although I must confess it is losing it somewhat under Communist propaganda throughout the world to which we do not retort—the United States has been placed in a historic position to be the moral leader of the world in the battle against this evil, the great evil of our times, and it can defeat it. But it must know it in order to defeat it.

Senator BUTLER. But there is no organization, as distinct from a governmental unit, that could defeat communism, in your opinion.

Mr. BUDENZ. There are moral forces into which I do not wish to go in this inquiry. As a matter of fact, immediately as of this moment the United States has the responsibility and can discharge it, if it does not constantly fall victim to Communist propaganda, the Communist line, as it has done, most unfortunately, in too large a measure for a long series of years.

Senator BUTLER. Would it be fair to say that your testimony up to this time would amount to this: That we break off relations with Russia and that we go about our own business in fighting communism in our own way, and not say too much about what we are doing, but nevertheless effectively fight communism?

Mr. BUDENZ. Say what we are doing in part, but also not say what we are doing in part. We would immediately obtain allies among the enslaved people behind the Iron Curtain who are today in a position of despair. We would obtain allies who would stand by us and in whom we could trust and who would not be lukewarm, who would not use every occasion—Soviet trade, or the balance-of-power theory, or their own weakness, or Red propaganda within, for instance, France against the remilitarization of Western Germany—to desert us at a critical moment. We would know, in other words, for the security of the United States, where we stand in the world arena.

Today we have no such knowledge, because our allies are constantly changing their policy and, as a matter of fact, are giving aid and comfort very frequently to the Soviet Union.

May I add here just one thought, because I wanted to mention the fraud of this peaceful coexistence which is being put forward as the chief basis of the Communist line today, resurrected from Stalin's statement in 1927 for the deceit of the United States. At the moment that Stalin raised that slogan he was writing the Problems of Leninism, in which he said that the core of Leninism was the dictatorship of the proletariat, and he states here on page 19 that this must be achieved on a worldwide scale because conflict between the Soviet Republic and the non-Soviet world is inevitable. Then he proceeded to state:

Can such a radical transformation of the old bourgeois system of society be achieved without a violent revolution, without the dictatorship of the proletariat? Obviously not. To think that such a revolution can be carried out peacefully within the framework of bourgeois democracy * * * means 1 of 2 things. It means either madness and the loss of normal human understanding or else an open and gross repudiation of the proletarian revolution.

In other words, here in two pages Stalin says we must conquer the world, quoting Lenin, and he says it must be done by violence. There is no other way in which to achieve that purpose.

Mr. ARENS. How does the Communist line operate?

Mr. BUDENZ. The Communist line is first stated in the declarations of the leaders of the Kremlin. The present line, which is advancing too successfully in the United States, was dictated basically by Stalin and Malenkov in October 1952 at the 19th Congress of the Communist Party of the Soviet Union. This is embodied in 3 documents, 1 of which I have with me, the one by Malenkov. Stalin's document was called Economic Problems of Socialism in the U. S. S. R. Then there was his statement on bourgeois liberties in imperialist countries which, by the way, is reprinted in the October 1952 Political Affairs.

Mr. ARENS. Identify that document.

Mr. BUDENZ. Political Affairs is the official theoretical organ of the Communist Party. These three statements are the basis of the present Communist line. They have been given new development by Malenkov in his address to the Supreme Soviet in August 1953 and his statement in April 1954.

They are carried out to the international Communist world through these two particular publications in my hand, although there are others—the organ of the Cominform, the successor of the Communist International, which comes in here every week in English translation, as it goes into all the major countries of the world in their respective tongues; and the New Times, coming directly from Moscow, likewise in English translation, as it is translated into many other languages.

Then it is refined for American consumption in Political Affairs. We have here as an illustration the leading article in the August 1954 Political Affairs, William Z. Foster, The Question of Peaceful Co-existence of the U. S. A. and U. S. S. R.

This is a document which everyone should read. In this document Foster says that the Communists would forward peaceful coexistence in order to bring about the total disarmament of America, the end of all our atomic stockpile—in other words, all those conditions which mean that the United States will be unguarded and unprepared against attack by Soviet Russia. But there is one quote here I would like, with your permission, particularly to emphasize because, while stating that peaceful coexistence must be advanced as a slogan and as a thought, and that it will lead, if the Communists can bring it about, gradually to the disarmament of the United States, Foster then says, because the Communists must know this is not truly peace—they must deceive others but never fall victims to their own deceit, and that is why this Aesopian or double-talk language must always be a feature of Communist directives—therefore, Foster says:

Stalin among his last statements reemphasized Lenin's position that so long as imperialism lasts there will be danger of war, a warning which is doubly pertinent with regard to American imperialism.

What does that mean? That means that the only road to peace is by the world Soviet dictatorship, when American imperialism or the American Government as it is today will be at an end. That, of course, is completely in accordance with the Communist fundamental concepts as laid down in the program of the Communist International, where the necessity for the world Soviet dictatorship is so emphasized and the means to obtain it even in detail through violence are outlined. That is the emphasis put in the Foundations of Leninism by Stalin and in his Problems of Leninism, in addition, of course, to many other fundamental works which I could quote.

These, by the way, are works which the Communists read right to this moment. These can be bought in Communist book shops—if I could get into the Communist Party I could buy it within the party branches, such as they are, very secret and underground—for the guidance of the Communists. These works are studied constantly, referred to in discussions, and are the basis of Communist thought and action.

Mr. ARENS. Mr. Budenz, in the course of the last few years there has obviously developed in the United States a strong anti-Communist sentiment which is reflected in the Congress by legislation, which is reflected in the press, reflected at the crossroads of America. What is your appraisal, as of the moment, of the strength of the Communist conspiracy in the United States, say, as compared to what it was, say, 5 or 10 or 15 years ago? Is it a greater menace today than ever before? Is it a less menace? What is your appraisal?

Mr. BUDENZ. It is a greater menace today because, despite all the assaults made upon it, it is determining to too great a measure what American public opinion is, and is doing this through the victory of the Communist line.

Mr. ARENS. How powerful is this Communist Party as a political force today?

Mr. BUDENZ. It is the most powerful political force in the United States. Let me show this so it won't be considered to be an extravagant statement.

The Communists had a secret conference in September of last year, and the substance of this conference is presented in this report in my hand which was issued for the Communists to read and study, *New Opportunities in the Fight for Peace and Democracy*. In this document the Communists emphasize the need for big power negotiation, as Malenkov had stated in August; they stress the need for the five-power meeting; they stress those things which occurred at Berlin and Geneva. As a matter of fact, if you go through this document you will be amazed at the many items which they have stressed which have come into being in the United States, at least to the extent that they are echoed out through some agencies of public opinion and information.

The center of this was the attack upon McCarthyism. I want you to note this in this report. The attack upon McCarthyism, the struggle against McCarthyism, was to be linked with the struggle for peace—in other words, with the struggle for further Soviet aggression. If you study that document you will see how much of it has come to life in America and how successful the Communist program has been of paralyzing us through the cries against McCarthyism and McCarranism. I have to use those phrases because they are their phrases, Communist phrases.

They have produced this national election conference report which I now show you, which is just a continuation of their directives during the last 2 years calling for the defeat in the congressional elections of every McCarthyite and McCarranite candidate.

Mr. ARENS. Is there a fallacy in numbers in undertaking to appraise the Communist strength in America? We know from reports which have been made public from intelligence agencies that the actual numerical strength of the Communist Party operators has been reduced in the course of the last few years. Is there a fallacy in appraising the Communist Party strength on the basis of numbers?

Mr. BUDENZ. It has been reduced, but not to the extent that is supposed. There are 750,000 members who have left the Communist Party, let us say, in the last 15 years, but a great number of them haven't left because they are not Communists. They have left because they cannot stand the strain of being assigned to penetrate five organizations each, which is what the normal Communist is supposed to do. Many of these people are still on good terms with the party and, as a matter of fact, I know of situations in which we called upon persons of that type to cooperate with the party in emergencies, and they responded. That has occurred time and time again.

Aside from the numbers today, it must be understood that the Communist Party does not measure itself in numbers. It measures itself by the discipline of its membership and their ability to penetrate key positions.

Mr. ARENS. How do you appraise their strength?

Mr. BUDENZ. I appraise it as they appraise it, because it is realistic. Malenkov stated in 1948, in a document which showed he was going to become the leader of international communism, "In the party we do not want quantity, but quality." That has always been emphasized. The Communist Party is the vanguard, it is the chosen few, it is those who can accept discipline from Moscow and who can carry out orders as members of an invading army would, except this is under psychological pressure.

One Alger Hiss is worth more to the Kremlin than 3 million of people calling themselves Communists and loosely organized, who wouldn't accept discipline and wouldn't be responsive to orders. It is the method of penetration that the Communists use following out Stalin's injunction that every nonparty organization—and that includes governmental agencies when possible and other agencies in, for instance, American life—must be made a transmission belt for the Communist line. That is Stalin's statement in Foundations of Leninism. That is the theory on which the Communists work. Never has communism been successful in coming forward with open banners before the people. It has always succeeded first by undermining and penetrating through concealed Communists.

Mr. ARENS. Then you would say, Mr. Budenz, that our legislative program to date has had no adverse effect on our fight against communism?

Mr. BUDENZ. It has not had any adverse effect on our fight against communism. The only difficulty is that it is not carried forward in an atmosphere which is really coping with the reality of the Communist conspiracy.

In the first place, that is why I feel there would also be an internal reaction—I don't use that in the sense of reactionary—that there would be an internal reaction from the breaking off of relations with Soviet Russia. Everyone would realize that Soviet Russia is what it is making itself, an enemy of the United States. Everyone would realize that the sole reason we are endeavoring to cope with the Communist Party here is not for the purpose of sending human beings to jail, but for the purpose of dealing with the fifth column, an espionage and infiltration agency of a power which is determined to destroy us, which is determined upon world conquest.

Mr. ARENS. Would the severance of diplomatic relations be a step toward war, in your judgment?

Mr. BUDENZ. It would not. To the contrary, if we continue to follow the path of alleged peaceful coexistence we will have constant periphery warfare as we have had in Korea, Indochina, and other places, and we will go from war to war. If we endeavor to halt Soviet aggression we will weaken our economy and our personnel. This is the program of Stalin since 1939, when he stated, "In our day wars are not declared, they are made." The Kremlin is making war under the name of peace, constantly crying peace and itself guilty of aggression.

Mr. ARENS. Mr. Budenz, you said a few moments ago in effect that the Communist conspiracy in this country was, in your judgment, the strongest political force in America. Could you elaborate on that and tell us how that political force operates to obtain its objectives?

Mr. BUDENZ. Yes; I can answer that, but I would like to answer this question about war first because it is very important.

We are today in world war III, according to Stalin's pattern. This is world war III because, according to the Communists, every day is an engagement in the class war, and truce, negotiation, courtroom scenes, activity of a political character—all of that is war. The Communists have a favorite method of citing the quotation of General Clausewitz, the Prussian general whom Lenin admired so much, who stated that war is the extension of politics by other means. They add, as Lenin did, in thought at least, inversely, likewise, politics is war.

The Communists, every time they meet us, at Berlin, Geneva, and in an alleged Korean truce, are planning war against us. If war by diplomatic means serves their purposes, they will use it. If necessary, then they will attack Indochina—whatever serves their purpose.

Soviet Russia dare not have a frontal war with the United States. We have been frightening ourselves to death with the myth about Soviet Russia's warring upon us today—while we are still strong. Soviet Russia dare not have a frontal war against the United States.

There was no country more badly routed than Soviet Russia by Hitler. It was the United States which saved Soviet Russia. Soviet Russia dare not have a frontal war with the United States today or during the present period, at least, because it has slave labor, which is very bad labor for productive purposes. You can see that the Soviet Union is buying tractors now. Tractors have been released to them for their farm purposes. Their workers cannot turn out enough. Soviet Russia also has the labor passport system under which the free worker dares not leave his job without the consent of the Government bureaucracy. That is what they call the dictatorship of the proletariat. The workers are under a dictatorship, but it is the dictatorship of the Communist Party led by Malenkov. No worker dares leave his job in Soviet Russia without a labor passport, the consent of the Government bureaucracy.

This does not make for a good labor force. We know that machinery and free labor go together.

Then in addition, we have the conditions in the satellite countries. The revolt in East Germany under difficult circumstances indicates a condition of unrest which we should understand, because the Poles certainly were 99 percent against communism, and the Hungarians voted overwhelmingly against communism, but they were defeated by the so-called United Front coalition government forced upon them and the methods which the Communists used, and then force was used.

Mr. ARENS. How about Czechoslovakia?

Mr. BUDENZ. Czechoslovakia likewise. Although that country had a large Communist Party toward the end, nevertheless the people were strongly for the Czechoslovakian Republic.

In every event the achievement was brought about through what they call coalition governments, that is, the Communists getting certain key ministries which allowed them to control education and the police, and then the Communists would have big demonstrations, guerrilla attacks on governmental forces, and there would be no action against them. In that way the crisis continued, the confusion increased, until it was evident that those who were forced into cooperating with the Communists were either going to be destroyed, had to commit suicide, or had to endeavor to flee into exile. Soviet rule then prevailed.

Mr. ARENS. Mr. Budenz, to revert to the question which we were dealing with a few moments ago, you stated in effect earlier in your testimony that the Communist Party was the strongest political force in America. Could you elaborate on that and tell us how the Communist Party accomplishes its objectives of political subversion?

Mr. BUDENZ. We have a peculiar situation. So strong is the sentiment against communism among the common people of this country that there is no doubt that, for example, this attempt to outlaw the Communist Party represented what the people want done in some form or other. The common people want forthright action, when you speak of communism alone, the Communist Party alone. But where the difficulty comes in is that the Communist Party, through concealed Communists, making transmission belts, in whole or in part, of certain agencies of opinion-making, persuade them on non-Communist bases to follow the Communist line. That has been the secret of the Communist strength in this country for a number of years. We have had this study by the subcommittee on internal security, of the Institute of Pacific Relations. That is a very splendid example of the manner in which the Communists forward the line through infiltration by a very few people getting into key posts.

Mr. ARENS. What are the political objectives of the Communist Party now, the legislative program objectives of the Communist Party?

Mr. BUDENZ. The legislative objectives of the Communist Party have to be understood in the light of the Communist attitude toward reform, which is the third item I would like to bring to your attention. The first was the nature of Soviet communism, which I haven't really examined but which I hinted at. The second is the Communist line and the way it operates. The third is the Communist attitude on reforms.

There is a great deal of confusion about the Communist attitude on reforms, because in this election program of theirs they talk about all sorts of reforms they are for, and many people have been misled into believing that the Communists stand for reforms.

Anyone who has been a Communist knows very well and Mr. Stalin has advised very definitely that if they actually stand for reforms, they are reformists, and that is a very serious offense, a very serious deviation. That makes them enemies of the Communist cause. They must not entangle themselves with the belief that reforms can attain anything.

Stalin says on page 104 of Foundations of Leninism:

To a revolutionary—

that is, a Communist—

the main thing is revolutionary work. The revolutionary will receive reform in order to use it as an aid in combining legal work with illegal work, to intensify under its cover the illegal work for the revolutionary preparation of the masses for the overthrow of the bourgeoisie.

In other words, very frankly here Stalin says that reforms are used as a screen or cover for the illegal activities of the Communist conspiracy to bring about the dictatorship. That is precisely the way in which they are used. Therefore, we must discount the reforms that they were always advocating.

When we get to the Communist line, they wish to have those candidates elected who will stand for peaceful coexistence, thereby echoing Stalin, who will stand for still more big power negotiations, who will stand for recognition of Red China, not yet attained, who will stand for a continuance of moves to break down any effort to defend Europe, who will oppose rearmament of West Germany. There is a whole series of proposals, all in the same direction.

Mr. ARENS. What is their attitude on the McCarran-Walter Immigration and Nationality Act?

Mr. BUDENZ. It is right here very prominently in the report on their secret conference for the repeal of the Walter-McCarran Act.

Mr. ARENS. What is their attitude on congressional investigating committees?

Mr. BUDENZ. The complete wiping out of those congressional committees under the cry of McCarthyism. In a very interesting article, by the way, called the Anatomy of McCarthyism, in the May 1954 Political Affairs, the Communist Party declared that under that title they included all congressional investigations, also all the informers who aided the Government.

Mr. ARENS. Witnesses before congressional committees?

Mr. BUDENZ. That is right. I am using their own language. And likewise they struck out at the Federal Bureau of Investigation. As early as 1950, Gil Green, who is now a fugitive from justice in the United States, having been convicted in a Smith Act case, spoke out as one of the leaders of the party—and he was following up Gus Hall's directives under the title of "The Battle Against McCarthyism," which they opened up then, March 23, 1950, when they began this anti-McCarthy campaign officially at an extraordinary national committee meeting. And Gil Green as his contribution linked it up with the destruction of all the "informers and stoolpigeons"—those are exact quotes—and also the destruction of the "gestapolike" Federal Bureau of Investigation. (These statements appear in Political Affairs of May 1950.)

Mr. ARENS. How do they accomplish these objectives? You have said, Mr. Budenz, that the Communist Party is the strongest political force in America. You have told us what the objectives are—to discredit congressional committees, to do various things. Now give us the modus operandi. How do they actually accomplish these objectives?

Mr. BUDENZ. They do it in several ways. First of all, within the hearings themselves—anyone who has read these congressional hearings will bear this out—the Communist witnesses resort to the utmost insults to the representatives of the American people. I have just been reading the hearings of the Velde committee, which is supposed to be a rather mild committee, and there I see witnesses calling the Congressmen idiots, and many other names, hurling epithets at them.

I wonder if there is any dignity left in this American Republic if we can permit these traitors to insult the representatives of the people in this fashion.

Then while that is going on, the concealed Communists and their friends persuade certain representative organs of opinion to weep over these Communists as victims of the methods of the congressional investigations.

Mr. ARENS. Do they work through other people who are not Communists but who are dupes?

Mr. BUDENZ. Oh, yes.

Mr. ARENS. Tell us how they do that.

Mr. BUDENZ. That is an old story. They do it in two ways. I could give many illustrations from the past out of my own experience, but I think that would be consuming the subcommittee's time. There is so much of a record of it that I hesitate to begin.

However, it is done very simply, and that is, cultivating certain public figures, certain people who are sources of information and public opinion, sometimes open Communists doing so, as I did. I cultivated plenty of them. I cultivated Harry Hopkins and Representative Adolph Sabath, former chairman of the Rules Committee, who told me the Communists knew how to defend the New Deal better than the New Dealers themselves.

Then also, many people who have control of public opinion. But if I, as an open Communist, could do that, you can understand how a concealed Communist, who is not at all supposed to be a member of the conspiracy, could do it. That is one method.

Mr. ARENS. May I pose a case to you in point, and see if you could help us on it. The gentleman who is presiding today, the Senator from Maryland, was the author of legislation which passed this last session of the Congress which, among other things, undertook to give the Government weapons to drive Communists out of labor organizations. The Congress was barraged with communications condemning the proposed legislation because it was said that it was antiunion, rather than anti-Communist.

Can you tell us how that came about; what part the Communist Party, in your judgment, had to play in that propaganda drive?

Mr. BUDENZ. The Communist Party was the main driving force in that drive. Anyone who examined the Daily Worker, which then retails out into life what Political Affairs has set down for it, but does it on a day-by-day basis, could see that the Communists originated this attack. Then it was taken up by non-Communists.

There are Communists concealed in many organizations, not only labor—let's not center on labor, because this phenomenon prevails in education and in many other fields. It also prevails among some of our industrialists who have those at their elbows who are constantly counseling them into a position which is in accordance with the Communist line.

The thing is, the Communists have several ways of doing this. They bring the thing in to the union meeting, and many times they are not known as Communists, or bring it into some other organization meeting. They make the whole issue an attack upon the organization involved.

Incidentally, that is not only applied to this measure. It is applied to every effort to uproot subversives in any area of activity. If you will review the past efforts, from Hollywood to education, to investigate subversives, you will find that in every instance the Communists have succeeded in persuading many loyal Americans that the institution involved was in danger by the fact that it was being investigated for subversives rather than the fact that if it were cleaned up it would be much stronger and healthier. That is a phenomenon we witness right along.

There is one other way that Communists affect this thing that I think we should know, and that is by creating a fad or fashion among the sophisticated readers of the *New Yorker*, for instance, people who substitute sophistication for intellect, people who want to be allegedly up to date in their thinking. The Communists have a great facility through their concealed members—and we must remember if we look at the Communist front lists and know that 90 percent of the Communist fronters are Communists—you will have to take my word for that, but I think events will prove that as we go forward—you can appreciate they have people who are in important positions and can command some respect to carry on these undertakings. These people are not known specifically as Communists, and therefore their word is much stronger. They thereby create this fad or fashion that what the Communists want is the correct way to think and act.

I will give you an example from the past so it won't seem to be too current and won't step on too many toes.

There was the case of Representative Dies and Shirley Temple. Representative Dies was attacked, as everyone is who endeavors to touch the Communist conspiracy at any nerve center. He was driven to the point of nervous exhaustion. One of the things brought up about him was—even my good friend, Heywood Brown, continued to popularize this, laughing about it in an idiotic way—the alleged fact that Dies had called Shirley Temple a Communist and she was merely a little girl. Nothing of the sort had occurred. It was an absolute falsehood. What had occurred was that on a list of Communist-front members which Dies had put into the record Shirley Temple's name appeared. That was correct. But no one had accused her of being a Communist. Yet there was great laughter everywhere among the sophisticated that Dies, this low-brow Texan, had named Shirley Temple as a Communist.

It is in that fashion that they proceed. That is the way they destroyed the book by William White, the report on the Russians. I remember exactly how that operation was carried into effect; how they got reviews in certain publications which destroyed that book. They planned to do it. If they can destroy a book, they can destroy a person, and also, in addition to that, they can forward Communist-coined ideas.

Mr. ARENS. Mr. Budenz, on the basis of your background and experience, what is your appraisal of the Soviet trade offensive?

Mr. BUDENZ. This is another great current victory for what Moscow orders the Communists to do; in other words, a victory for the Communist line. In April 1952, there was held in Moscow the World Economic Conference. At that time it was reported that this conference was not a very great success. Only a few western businessmen of any prominence attended it. But those who observed that did not understand the Communists. The Reds immediately began a barrage in all of these directive papers of theirs throughout the world. They began their work among their various underground people in all the agencies that they could think of. You emphasized everywhere, East-West trade, East-West trade. It appears in all the current documents that I have before me. Eventually we had the condition where Great Britain broke down and where, incidentally, also other nations broke down, and where eventually the United States broke down, because

today there is an enlarged list of materials which can go to Soviet Russia, the latest edition being made in August. This includes generators, machine tools, tractors.

Mr. ARENS. Isn't there such a thing as a critical and noncritical list?

Mr. BUDENZ. In actuality, there is no such thing.

Mr. ARENS. And upon what basis do you make that observation?

Mr. BUDENZ. I make that observation on a number of bases. If we realistically understand that what is being waged is world war III by the Soviet Union—and that is what it is, and it will continue to be such as long as we do not bring things to a halt by recognizing reality—then anything which aids the Soviet world to correct its own gross deficiencies helps it to build up its war machine.

Winston Churchill gave us a lesson in that in World War II. You remember that Mr. Hoover, out of the goodness of his heart—I refer to Herbert Hoover—wished to send food and clothing to the children of the Low Countries when those countries were occupied by Hitler. Mr. Churchill refused, saying that that would give aid and comfort to the enemy, would be used for the prestige of the enemy, the morale of the population under the enemy, and also to help stabilize the economy under the enemy. As a matter of fact, what is noncritical material anyway? All things are used in war. You have to feed your armies. You need tractors to do that. You have to have machine tools for all sorts of war production as well as for production which in itself is not of a warlike nature all the time, but which is strained to the utmost in time of war. It is quite clear that there is no such thing as "critical" and "noncritical" materials.

Then, in addition to that, you have the fact that East-West trade is used as a political weapon, and always has been, by Soviet Russia. It was used before World War II as a political weapon over a number of countries. If we go into trade with Soviet Russia and other nations do the same, they are going to rue the day, because they are dealing with a controlled economy under a dictatorship. Whenever Soviet Russia wants to create a depressed condition in certain of our industries, at least percentage-wise, it can do so by halting the trade after it is established. That is a most serious thing.

By the way, a writer in the New York Times about 2 weeks ago pointed to that very emphatically, and I think very correctly.

Mr. ARENS. Mr. Budenz, several weeks ago we had before the Internal Security Subcommittee Mr. Abner Green, who is the executive secretary of the American Committee for the Protection of Foreign Born, at which time we interrogated him with respect to the activities of himself and his organization in undertaking to destroy the Immigration and Nationality Act, to cause it to be repealed or to be weakened by emasculating amendments.

Would you express yourself with reference to the subject of why the Communist Party would be interested in destroying the Immigration and Nationality Act?

Mr. BUDENZ. That is very clear. It is due to the fact that this act puts certain safeguards against Communist infiltration into the United States.

Mr. ARENS. Is there any relationship or is there an intimate relationship between the immigration system in this country and the Communist conspiracy which operates in this country?

Mr. BUDENZ. Most decidedly.

Mr. ARENS. Could you elaborate on that on the basis of your background and experience?

Mr. BUDENZ. Yes; I could.

Without naming names, because it is a matter of national security, just the other day I was presented by an intelligence agency with a picture of a young person, at the time the photo was taken, who was a Soviet espionage agent in Europe under another name than that which I recognized later. I was asked who that person was. I said, "That is one of the leading members of the Communist Party of the United States today." There is a constant interrelation between the espionage agencies of Soviet Russia in Europe and other countries and certain leading members of the Communist Party in the United States.

As a matter of fact, a number of those are engaged in espionage right here, such as Boleslaw Gebert was when he was one of the leading members of the Communist Party, now one of the leading members of the Communist Party of Poland.

In addition to that, there is a constant interrelation between the Soviet and satellite consulates in the Communist Party under a program which Gebert outlined for me in 1945, and about which I have testified before this subcommittee several years ago.

Mr. ARENS. How does the Communist Party and the Communists operate or dupe organizations and do-gooders, people in this Nation, to follow their line, such as the line to repeal or emasculate the Immigration and Nationality Act? What is the modus operandi on that?

Mr. BUDENZ. Of course, they appeal to the instinct to reform of many good people. They appeal to certain prejudices as passions. They appeal maybe to certain weaknesses in the act which are not fundamental. They appeal, in other words, to this idea of reform, whereas they are the greatest enemies of reform.

As an example, the Communists cry out all the time—and this gives them entree into the camp of reform—that they are in the forefront of the fight for labor rights. Wherever they establish Soviet power they crush the trade unions. They establish shells cynically called unions which are production machines, which dare not represent the grievances of the workers, which dare not have strikes, which dare not act as a regular trade union would.

Thus it is in other matters of that sort.

Incidentally, in regard to the importance of the Immigration Act to the Communist conspiracy, let us remember Gerhart Eisler, the Communist international representative, sneaked over here. Let us remember Jacob Golos, who was in charge of Communist espionage through the World Tourists, was here as an alien. Let us remember that J. Peters, who directed Whittaker Chambers and Alger Hiss, was likewise one of the same character. All of these people were smuggled in here in the Communist International apparatus, and I could name scores of them, some of whom have been deported, some of whom are still here. The head of the International Workers Order up until recently, this man known as A. W. Mills or Saul Milgrom, an illegal alien in this country, is an example. The entire controlling factors in the Communist apparatus are composed of aliens, and most of them aliens entering in some illegal manner.

Mr. ARENS. Mr. Budenz, on the basis of your background and experience, can you give us an appraisal as to whether or not the diplomatic establishments in this country of the Iron Curtain countries are legitimate diplomatic establishments.

Mr. BUDENZ. Well, we have not only what Gebert advised me was to be the use of these governments as links with the Communist Party and espionage in this country. We have back of that the previous procedure of the Soviet Embassy, which was nothing but an espionage agency here in this country, to my own knowledge. That is to say, you had a man like Sergei Kournakoff, who was a constant runner between the Soviet consulate and the Communist Party leaders, giving directives on espionage and infiltration. You have had all of these various couriers like Felix Kusman and others brought up in hearings over and over again, and I am not going to repeat them. When the Soviet Embassy was the sole Red diplomatic agency here, it directed the espionage.

This is all brought out now in the testimony of this Vladimir Petrov once more, in Australia. I again recommend to the subcommittee for its consideration the report of the Royal Commission on Espionage, in which he shows that practically every consulate and diplomatic officer of Soviet Russia and its satellite regimes was a representative or officer of one of these directorates of espionage. Practically everyone, the First Secretary, the Second Secretary, and the Third Secretary, were engaged in one or the other of these directorates of infiltrating the country in order to establish espionage nests.

Mr. ARENS. Are there Communist Party members in the United States today, members as such, as you and I would join the Rotary Club?

Mr. BUDENZ. That is an interesting question, because there never were very many members running around showing cards. The Communists never introduce themselves to each other by cards. I have only seen about six Communist Party cards in my entire Communist career, and I was very active. The Communists do not go up to anyone and say, "This is my card, Comrade."

Mr. ARENS. In other words, conspirators don't advertise their conspiracy.

Mr. BUDENZ. You are introduced to another comrade whom you didn't know, by his superior officer. Theirs is a supermilitary organization. If I want to meet a man for any particular purpose, whether it be open Communist Party work or underground work, I go to the officer above him, the functionary above him, and he introduces me to this man and says, "This is Comrade Budenz, who is to be relied upon and whose instructions you are to take." Just like a soldier, only even more so, the Communists obey every order given them then by this person.

Mr. ARENS. I have only one further question, Mr. Chairman, and then perhaps Mr. Budenz may want to volunteer some observations.

Mr. Budenz, on the basis of your extensive experience and close study of the Communist conspiracy worldwide, where do we go from here?

Mr. BUDENZ. First of all, I have recommended the basis of all our future historical travel so far as I can see, and that is the recognition of reality, the breaking off of relations with Soviet Russia. If that is

done, No. 1, we will no longer have the experience of the bitter defeats we have had from Yalta to Geneva. We will no longer have the United States eagerly acquiescing in its own defeat, as it did on a number of occasions. I mean, for example, when we handed China and Poland over to Soviet Russia, and history shows that that was what took place.

We will have an understanding that we are now the world leader in a moral sense of those forces with which to preserve freedom against the Soviets.

Mr. ARENS. Can you negotiate with the Soviets on a sound, honest basis?

Mr. BUDENZ. You cannot negotiate with them at all. They will not negotiate on anything but winning a victory for themselves or accusing you in propaganda of breaking up the conference which they have broken up because they couldn't get their objectives. That is the whole history of our Soviet relations.

Mr. ARENS. Is any pledge or agreement of the Soviets worth the paper it is written on?

Mr. BUDENZ. We have had enough experience in that respect. The very first pledge they made they broke immediately. That was the pledge when we recognized Soviet Russia in 1933, the pledge that there would be no subversive activities in the United States. At that very moment Moscow had ordered the Communist Party to extend its infiltration through the open letter to the party, which is a very famous document, referred to from time to time by the Communists. It was precisely in that year 1933 that the whole Washington cell—Lee Pressman, Alger Hiss, John Abt, Nathan Witt—went into the Department of Agriculture under the benign wing of Henry Agard Wallace and used that as a beachhead to infiltrate the Government. The very first contact we had with Soviet Russia in the way of recognition was an act of betrayal by Soviet Russia of its pledges, and the subsequent history has been a history of the same sort.

May I be privileged, Mr. Arens, to add a word about the nature of Soviet communism?

Mr. ARENS. Go ahead.

Mr. BUDENZ. I think this is very important, even though it may seem a bit philosophical.

Soviet communism is not generally understood, and that is one of the difficulties in confronting this whole world situation. Soviet communism is not a social or economic theory so much. It is a world outlook. It is an attempt to explain how the world began and how it will inevitably end.

As Stalin said in his famous chapter 4 of the History of the Communist Party of the Soviet Union, which, if I may use that word in this connection, is the bible of the Communists:

Dialectical materialism is the world outlook of the Marxist-Leninist Party.

When we analyze "dialectical materialism," as we cannot afford the time to do fully today, we find it is that theory which is determined to prove that God does not exist. Not merely to affirm that God does not exist, which it does in its assertion that all reality is matter, but to prove that he does not exist.

This proof is going to be given by the establishment of the Communist society, a society in which there will be no state, no law, no

compulsion, no family, no morality. It will be a society, as Lenin says, in which for the first time man will enjoy genuine freedom. That is Lenin's statement in *State and Revolution*. It will be a society, as Marx says, where each will give according to his ability and receive according to his needs. It will be a society where the Communists declare there will no longer be neurosis, ill health, or unhappiness. As a matter of fact, William Z. Foster, in his *Twilight of World Capitalism*, written about 2 years ago, has a concluding chapter, *The Advent of Socialist Man*, in which he declares that already in Soviet Russia large segments of the population no longer have any neurosis, other segments no longer have any ill health, and some are so happy they sing all the day long. That is a strange picture to present without any evidence, because he gives no documents or authorities, and we know of the 15 million people in slave-labor camps and the labor-passport system, the Red terror, the secret police, and the other indications of repression, which certainly would make me neurotic, and I am sure many other people—not to mention the ill health and other things of that sort which we know exist in the Soviet prisons, from the accounts by some of those people who have escaped.

This is essential. Before the Communist society or perfected society for the animal (man) can come about there must be established the world Soviet dictatorship through oceans of blood, by the masses led by the vanguard, the chosen few who understand Marxism-Leninism, who understand where the world is going. This world Soviet dictatorship, they contend, is absolutely essential if you are going to get this Communist society.

So imbedded is this in Communist thought that Dictator Malenkov in his report—which now dominates the present Communist line to a large extent, along with Stalin's statements—made in October 1952, entitled the report, in order to give dynamism to the Communists of the world, *On the Threshold of Communism*—on the threshold of this earthly paradise.

It is true, on page 85 of the English authorized edition, he says that the transition is going to be gradual from socialism, the first stage, now existing in Soviet Russia, to communism, when this dictatorship will wither away and the society of unrestraint will come into existence, but he concludes with this battle cry which he must always use, "Under the banner of the immortal Lenin, under the wise leadership of the great Stalin, forward to the victory of communism," or this society of unrestraint where the state will wither away, where the dictatorship will wither away, but which cannot be achieved until the world Soviet dictatorship is established.

You can see, and the reason I have emphasized it, the fatalism and fanaticism involved in this viewpoint.

Mr. ARENS. Isn't there a paradox, Mr. Budenz, that God-fearing people are now marching to the tune of the Communist philosophy?

Mr. BUDENZ. Not so much the Communist philosophy.

Mr. ARENS. To the Communist line.

Mr. BUDENZ. As the Communist line. We must distinguish, first, the nature of communism and its philosophy, which only a few accept; second, the Communist line, which is accepted by many because it is sent through a prism, sent through transmission belts which are non-Communist, which is a great Communist device; and third, as I said, the Communist attitude on reforms, which confuses many people.

Yes, it was remarked 18 years ago by Pius XI in his encyclical on atheistic communism, that many people who did not agree with the philosophy of communism nevertheless went along forwarding—he didn't call it specifically the "line," but his definition of it was the line.

What I wish to emphasize is that when this is appreciated, this fanaticism which is even more so than that of the Moslems when they threatened the existence of Europe hundreds of years ago, there is no way you can accommodate this force, there is no way you can come to agreement with it, there is no way you can negotiate, because it is determined to destroy you. That must be its goal, because that is the only way it is going to get this Communist society.

Let us suppose that Dictator Malenkov cynically thought maybe this Communist society where man is going to have no ill health, no neurosis, and no unhappiness—and where, incidentally, the forces of nature are going to be conquered, too—cannot be achieved. Nevertheless he must raise it if he is going to have followers throughout the world, if he is going to maintain power, if he is going to be able to forward the Soviet dictatorship. He must do it. Consequently, it is the thing that colors and drives forward all that the Communists do.

We wouldn't have to have any experiences from Yalta to Geneva to teach us if we understood the nature of Soviet communism that the Kremlin cannot of its very nature be satisfied with anything less than world conquest.

MR. ARENS. Thank you very much, Mr. Budenz.

SENATOR BUTLER. I have no further questions.

MR. BUDENZ. I want to thank you again for coming to Washington and appearing before this subcommittee. We appreciate very much your testimony.

(Whereupon, at 11:45 a. m., the subcommittee recessed.)

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